



Accommodations Tax Guidelines/Application

Fiscal Year July 1, 2016-June 30, 2017

TO CITY OF COLUMBIA ACCOMMODATIONS TAX APPLICANTS:

Please read and review the following documents as part of the Application Package: Accommodations Tax Advisory Committee Members, Application Guidelines, Application Final Criteria, Accommodations Tax Application, Projected Hotel Information Sheet, and IRS Form W-9

Applicants seeking Accommodations Tax funding for fiscal year 2016-2017 must submit completed applications no later than 12:00 noon, March 18, 2016 for consideration by the Advisory Committee. Late and incomplete applications will not be considered.

Please pay careful attention to the application guidelines before you begin your application.

ACCOMMODATIONS TAX ADVISORY COMMITTEE:

State legislation requires that a municipality establish an Advisory Committee to review all applications before they receive funding. The Advisory committee forwards its recommendations to City Council for approval. The Accommodations Tax Advisory Committee consists of seven (7) members appointed by City Council. The Committee will include at least two (2) members of the lodging industry.

HOSPITALITY

Frank Cook
Edna Reese Langley
Raj Champaneri
Sandra Sims

AT-LARGE

Shennice Cleckley
Rusty Sox

CULTURAL

Hal Stevenson (Chair)

INTRODUCTION:

Please carefully read the guidelines before preparing your application,. These guidelines are meant to introduce applicants to the purpose and procedures associated with Accommodations Tax funding. They will also assist you in determining whether your projects and/or programs are eligible for Accommodations Tax funding. In addition to reading these guidelines, it is important that you review the Compliance Information on page three (3) of the Application Form before you begin preparation.

I. PURPOSE

The South Carolina State Assembly enacted Bill H2186, which imposed a 2% tax on all accommodations in the State. The purpose of the legislation is stated in Section 1 of the Bill:

SECTION 1. The General Assembly finds that areas of the State which have a high concentration of tourism activity may also be required from time to time to provide additional county and municipal services including, but not limited to, law enforcement, traffic control, public facilities, and highway and street maintenance, as well as, the continual promotion of tourism. The purpose of this act is not to provide services normally provided by the county or municipality, but to promote tourism and enlarge its economic benefits through advertising, promotion, and providing those facilities and services which enhance the ability of the county or municipality to attract and provide for tourists.

II. STATE ALLOCATIONS AND CRITERIA:

State law, as amended in 1991, provides that accommodation tax revenues must be allocated in the following manner:

- A. The first \$25,000 must be allocated to the General Fund of the City of Columbia, and is exempted from all other requirements of the legislation;
- B. 5% of the balance must be allocated to the General Fund of the City of Columbia, and is exempt from all requirements of the legislation;
- C. 30% of the balance must be allocated to a special fund and used for advertising and promotion of tourism to develop and increase tourist attendance through the generation of publicity. The City has designated the Columbia Metropolitan Visitors Bureau to manage those funds; and
- D. The remaining balance must be used for tourism-related expenditures. **Tourism-related expenditures are defined in the legislation as follows:**
 1. Advertising and Promotion of Tourism
 2. Arts and Cultural Projects/Events
 3. Facilities for Civic and Cultural Events
 4. Municipality and County Services
 5. Public Facilities
 6. Tourist Transportation
 7. Waterfront Erosion
 8. Visitors Centers
 9. Other

III. DETERMINING TOURISM-RELATED FUNCTIONS:

- A. Tourism is defined as “the action and activities of people taking trips outside their home communities for any purpose, except daily commuting to and from work.” *Columbia City Council has determined a tourist to be anyone traveling from outside of the city limits.
- B. Accommodations tax funds must be used to attract and provide for tourists, and must be spent on tourism-related expenditures. If expenditure cannot be directly related to tourism, then accommodation tax revenue may not be used to fund the expenditure.
- C. Some tourism-related expenditures are awarded on a “percentage of tourism” basis. The applicant must be able to substantiate how much of the total expenditure is related to tourism, and must be able to provide the “percentage of tourism.” The tourism percentage of the funded amount will be used to calculate reimbursement.
- D. Example: An organization is funded \$1000 for eligible expenditures. The organization spent \$1000 transportation for an upcoming event. 50% of those attending the event were tourists. Based on the percentage of tourism, the organization will be reimbursed in the amount of \$500.
- E. Organizations must provide documentation of tracking methods to determine the number of tourist. Applicants applying for funding must list any other accommodations tax funds they have requested or received from other municipalities and/or counties for the same fiscal year.
- F. Any and all organizations applying for accommodation tax funding must have an application on file for each request, each year. Any and all organizations applying for funding must be listed on the Accommodations Tax Reporting Form submitted annually to the Tourism Expenditure Review Committee, regardless of whether they were awarded any funds.
- G. Salaries may be paid from the 65% Tourism-Related Fund, as well as from the 30% Advertising and Promotion Fund. However, salaries may only be paid based on the percentage of time spent on tourism-related functions.
- H. Accommodations tax tourism funds may not be spent on purely local functions.
- I. Expenditure requests for fireworks may only be funded to the extent that they “attract and provide for tourism.” This will be decided on a case-by case basis.

IV. PROCEDURES AND CONDITIONS FOR FUNDING:

- A. The Committee will review each application after receipt. Applicants should be prepared to make a five (5) minute oral presentation of the funding request to the committee. Presentations will be scheduled at a later date. You will be notified of the specific date and time.
- B. The Committee is an advisory committee and makes funding recommendations to City Council for final approval.
- C. Notification of funding results will be sent to applicants during the first quarter of the 2016-2017 fiscal year (July-September 2016.)

- D. If your funding request is granted, please be advised that Accommodations Tax funding carries the following conditions:
- The City has the right to audit the organizations funded. (Ex: Looking at their books or attending the events.) This includes access to all records of expenditures.
 - Recipient organizations are subject to ongoing evaluations by City staff. The goal of these evaluations is to encourage self-sufficiency for each organization or program funded through the use of additional or alternative funding sources.
 - All projects must be completed during the fiscal year in which they are funded. Fiscal year 2016-17 begins July 1, 2016 and ends on June 30, 2017.

V. RULES FOR DISBURSEMENT OF FUNDS:

- A. Reimbursement for project expenses requires the submission of invoices verifying expenditures. Expenditures must be consistent with the application budget. Only goods and services that comply with the Accommodations Tax Guidelines and State Law are reimbursable. Project or event vendors will not be paid directly by the City of Columbia. Reimbursement checks will be written only to the applicant. Invoices for reimbursements should be submitted to the City of Columbia with written request for funding. **Eligible expenditures are:**
- Advertising/Promotions/Marketing (designing, printing, postage for items mailed to attract tourist)
 - Municipal services/Security
 - Entertainment/Speakers/Guest Artist Instructors
- Some of the expenditures not eligible are:** Any Rentals, items given to tourist once they are here (tee shirts, cups, trophies...etc., insurance or licenses, invoices outside the funding year, salaries (other than previously mentioned), transportation or accommodations, food or beverages, decorations, staging or fencing.
- B. Request for reimbursement must be on letterhead from the organization funded, including a valid contact number and address.
- C. Requests are received with required backup (copies of invoices/contracts). The Committee decided that "tourism development" would be anything involving bringing tourist into the city or providing essential services while they are here.
- D. Checks will not be released without an IRS Form W-9, Statement of Assurance, and a full budget for the project on file. Please note: Other sources of funding must be included in each project budget. The process of receiving a check, after receipt of eligible back up, takes approximately 7-10 business days.
- E. Quarterly allocations are made when applicable. Funding may be obtained in advance but back up must be submitted within 30 days after event.
- F. All disbursement requests must be received by May 30, 2017 for 2016-2017 fiscal year funding.
- ALL request for funding and/or request to carry forward funding **MUST** be received by May 30th of the funding year. If May 30th falls on Saturday or Sunday, the deadline will be the following Monday.
 - Requests received within 5 days after deadline will result in 10% deduction of dollars available.
 - Request received within 6-10 days after deadline will result in 20% deduction of dollars available.
 - Request received after 10 day period will not be processed and dollars will not be available.
 - The second year an organization is late with request for year end the penalties would double (requests received within 5 days after deadline will result in a 20% deduction of available dollars, requests received 6-10 days after deadline will result in a 40% deduction of available dollars and the funding request is not considered the third time an organization is late for year end requests.)
- G. **The State required Accommodations Tax form and the Final Hotel Information form MUST be turned in upon completion of your project/event. These forms will be mailed out with your approved funding letter.**
- H. **Full reimbursement for all projects is dependent on the receipt of expected Accommodations Tax revenues from the State of South Carolina. Any decision or lower than expected funding could affect project reimbursement. If funding received is less than budgeted, project reimbursements will be reduced on a pro-rata basis or as otherwise determined. Project Directors should remember this in developing project budgets.**

VI. INSTRUCTIONS FOR SUBMITTING AN APPLICATION:

- A. Completed applications must be submitted no later than **12:00 noon Friday, March 18, 2016**.
- B. Submit your original application plus twelve (8) copies (**front and back**) with standard three holes punched to City Hall. *Mail to:* P.O. Box 147, Columbia SC 29217, Attn: Dee Dee Fanning.
Deliver to: 1737 Main Street, Columbia SC 29201, Attn: Dee Dee Fanning
- C. Original application and copies should include the following required attachments:
 - A detailed budget for the project (not the organization) for which you are requesting funds
 - A project specific Income & Expense statement for same or similar project for the previous funding year
 - Current financial statement
 - W-9 form
 - A copy of your 990-tax form (if applicable)
 - A list of current board members
 - A list of all paid staff member, indicate full or part-time
 - A list of food/beverage vendors scheduled for the current project (if applicable)

Use only binder clips or paper clips.

Additional support materials (brochures, videos, etc.) will NOT be accepted or considered.

VII. REQUESTING MORE INFORMATION:

If you have any questions or concerns about Accommodations Tax funding or the allocation process, please contact Dee Dee Fanning at (803) 545-3048.

VIII. FINAL CRITERIA BEFORE SUBMITTING APPLICATION:

- Organization must be a non profit with documentation from the South Carolina Secretary of States Office.
- This is City of Columbia's Accommodations Tax funding and projects must be within the City limits.
- Project must be completed during the fiscal year July 1, 2016-June 30, 2017.
- Have you considered or investigated funding sources other than the City of Columbia?
- Have you verified that all contact information is complete and accurate? The contact person listed along with the mailing address, phone number, email address etc. will be used for our records and all information we send out. If at any time the contact information changes, it is required that you contact the City of Columbia with the updated information.
- Have you attached the required support materials (Section K of the application)?
- Have you made twelve (8) copies of the application and required attachments **plus** the original application with the required attachments?*****PLEASE USE FRONT AND BACK FOR COPIES OF APPLICATION*****
- Are the original and all copies three hole punched? * **Do not use 3-ring binders, folders, staples, or bind the application or copies in any way other than binder clips or paper clips.**



We Are Columbia

CITY OF COLUMBIA ACCOMMODATIONS TAX APPLICATION

DUE MARCH 18TH No later than 12:00 noon

Information must fit in the space provided. Make sure to use the "TAB" key as you enter information.
Using the "Enter" key in a field will alter the application format. **DO NOT ALTER THE APPLICATION.**

A. REQUEST AMOUNT INFORMATION

FISCAL YEAR: 2016-2017

AMOUNT REQUESTED: \$

DATE SUBMITTED:

AMOUNT FUNDED LAST YEAR: \$

B. PROJECT INFORMATION

PROJECT:

PROJECT LOCATION: (Must be inside city limits)

PROJECT DATE: (July 1, 2016 – June 30, 2017)

to

/ or

ONGOING

C. ORGANIZATION INFORMATION

ORGANIZATION:

CONTACT PERSON:

DIRECTOR:

MAILING ADDRESS:

PHYSICAL ADDRESS:

PHONE NUMBER:

FAX NUMBER:

E-MAIL ADDRESS:

WEB ADDRESS:

D. BRIEF DESCRIPTION OF PROJECT

E. How will your project attract tourists to the City of Columbia?

E. (continued)...How many people do you estimate will attend the project that you are requesting Accommodations Tax funding for in FY 2016-2017?

If this is an annual event, how many people attended last year?

Of that number, how many people lived outside the City of Columbia?

F. What is your rationale or documentation for this estimate?

G. Specifically how will the requested funds be used to increase the number of tourists visiting the city?

H. Economic Impact - How many tourist dollars do you estimate will be spent by attendees of your project at local businesses? \$

I. Additional Comments:

J. Please check all types of expenditures related to your project:

- | | | |
|--------------------------------------|--------------------------|--------------------|
| Advertising and Promotion | Arts & Cultural Projects | Municipal Services |
| Tourist Transportation | Visitor's Center | Public Facilities |
| Facilities for Civic/Cultural Events | Other | |

K. **PROJECT EXPENSES** (must match requested amount in section "A") Detail how requested A-Tax funds will be expended. Eligible expenditures only, please do not list entire project budget.

Detail Items	Dollar Amount
Total Request	

L. **PROJECT INCOME**

List ALL sources of funds for the proposed project or facility. *Status: Requested/Approved/Expected

Source of Funds	Status of Funds*	Dollar Amount
Total Budget		



PROJECTED HOTEL INFORMATION SHEET

PROJECT NAME:

CONTACT NAME:

ADDRESS:

PHONE NUMBER:

DATE OF PROJECT:

PROJECT LOCATION:

PROJECTED HOTEL ROOMS TO BE USED, PLEASE LIST THE FOLLOWING:

HOTEL NAME:

HOTEL ADDRESS:

HOTEL PHONE NO:

CONTACT PERSON:

PLEASE LIST HOW MANY HOTEL ROOMS WILL BE USED EACH NIGHT:

DAY	MON	TUES	WED	THU	FRI	SAT	SUN
DATE							
# OF ROOMS							

**** If more than one hotel will be used for this project, please copy this form and submit one for each hotel.**

WAS THIS PROJECT HELD IN THE PREVIOUS YEAR? YES NO

If yes, please indicate hotel information below:

HOTEL NAME:

HOTEL ADDRESS:

HOTEL PHONE NO:

CONTACT PERSON:

PLEASE LIST HOW MANY HOTEL ROOMS WERE USED EACH NIGHT:

DAY	MON	TUES	WED	THU	FRI	SAT	SUN
DATE							
# OF ROOMS							

**** If more than one hotel was used in the previous year's project, please copy this form and submit one for each hotel.**
