

STATE OF SOUTH CAROLINA)
)
COUNTY OF OCONEE)
)
CITY OF WALHALLA)

ORDINANCE NO. 2012-2

AN ORDINANCE TO IMPOSE A TWO PERCENT (2%) HOSPITALITY TAX ON ALL PREPARED FOOD AND BEVERAGES SOLD IN THE CITY OF WALHALLA, SOUTH CAROLINA

WHEREAS, the City of Walhalla, South Carolina (the "City") is required to provide amenities, infrastructure, public roads, proper waste, sewer and storm drainage for visitors and tourist to the City; and

WHEREAS, the Walhalla City Council finds that the added financial burden on the City to provide the services needed to support visitors and tourism should be distributed so that the share paid by the business most directly benefiting from such visitors and tourism will be the size of the added burden; and

WHEREAS, the Walhalla City Council finds that a tax of two percent (2%) to be collected by food and beverage service businesses in the City, which businesses benefit most directly from visitors and tourism, will result in collections by the City which would be roughly proportionate with the added burdens created to support the services and infrastructure needed to support and enhance visitors and tourism industry.

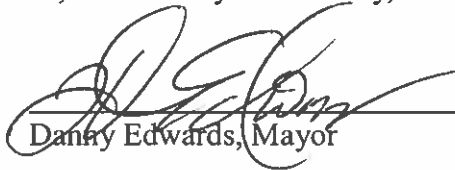
NOW, THEREFORE, BE IT ORDAINED by the Walhalla City Council, City of Walhalla, South Carolina, in council assembled and by the authority thereof that:

1. There is hereby imposed a Local Hospitality Tax equal to two percent (2%) on
 - (a) The sale of prepared meals and beverages, inclusive of alcoholic beverages, beer and wine, sold in establishments;
 - (b) The sale of prepared meals and beverages served by restaurants, hotels, or other food service facilities and establishments licensed for on-premises consumption of alcoholic beverages, beer or wine, within the City; and
 - (c) In addition, the tax shall be imposed on all food and beverages prepared or modified by convenience stores, grocery stores, delicatessens, caterers and other similar businesses within the City.
2. Payment of the tax established herein shall be the liability of the consumer/purchaser of the services or products described in Section 1 above. The tax shall be paid at the time of the delivery of the services or products to which the tax applies and shall be collected by the provider or seller of the service or products. Establishments' records may be inspected or audited by the City at the City's request at reasonable times and places. The tax collected by the seller or provider of the services or products, as required hereunder, shall be remitted to the City as prescribed by state law and specifically Section 6-1-770, Code of Laws of South Carolina, 1976, as amended, along with such returns or forms as may be established by the City for such purpose. Taxes and a required report shall be submitted to the City by the twentieth (20th) day of the applicable month (monthly for monthly reports, the first month of the quarter for quarterly reports and the first month of the year for annual reports) and shall cover sales of the

previous month, quarter or year, respectively, as appropriate and as provided for in Section 6-1-770, Code of Laws of South Carolina, 1976, as amended, of the unpaid tax for each month or portion thereof after the due date until paid. Payment of the tax is considered to be timely remitted to the City if the payment and the return have a U. S. Mail postmark date (not a meter date) on or before the date the payment and return are required to be made. If the twentieth (20th) day of the month falls on a Saturday, Sunday, U. S. Postal service holiday or City holiday then if the payments and returns were made at the City on the next business day will be accepted as timely made. Any taxes not timely remitted shall be subject to a penalty of ten percent (10%). The failure to collect from patrons the tax imposed by this Ordinance shall not relieve any establishment to the Ordinance for making the required remittance.

3. There shall be established a Walhalla Hospitality Tax Fund which shall be segregated from the City's general fund and all revenues from the Hospitality Tax shall be deposited exclusively into this fund. The principal and any accrued interest from this fund shall be expended on for the purposes set for in Section 6-1-770, Code of Laws of South Carolina, 1976, as amended, from time to time.
4. Authorization to utilize revenues from the hospitality tax account shall be by the Annual Budget Ordinance duly adopted by the Walhalla City Council.
5. Failure to pay the hospitality tax shall subject the provider of services or products set forth above to prosecution in the Walhalla Municipal Court for imprisonment and or fines to the maximum jurisdiction of the municipal court. Each day and each act shall constitute a separate offense. Moreover, the City may by administration action suspend the business license of a violator.
6. If any section, phrase, sentence or portion of the Ordinance is for any reason held invalid or unconstitutional by an court of competent jurisdiction, such section, phrase, sentence portion shall be deemed a separate, distinct and independent revision, and such holdings shall not affect the validity of the remaining sections, phrases, sentences or portions thereof.
7. Effective Date: This Ordinance shall be effective upon the date of the final reading and approval. Collection of the tax should begin no earlier and no later than July 1, 2012 by the provider of services or products set forth above. The first remittance will be due on or before August 20, 2012 by the provider of services or products set forth above.

DONE IN MEETING DULY ASSEMBLED, this 21st day of February, 2012.



Danny Edwards, Mayor

ATTEST:



Nancy Goehle, City Administrator

Introduced by: Tjay Bagwell

First reading: January 17, 2012

Final reading and Adoption: February 21, 2012