







- Consolidating the collection of taxes through the Municipal Association results in increased efficiency, accuracy, and cost savings for cities and towns.
- Formerly known as Collections, now Local Revenue Services
- New ordinances, agreements, and participant supplement





#### **Brokers Tax Program**

- Insurance companies not licensed to directly sell policies in the state can provide coverage through South Carolina licensed brokers. These brokers provide insurance for unusual risks.
- Brokers pay a 4% state tax and a 2% municipal tax on these policies.
- As a result of the federal Dodd-Frank law of 2010 and legislation the South Carolina General Assembly passed in 2012, the S.C. Department of Insurance collects both the state and local tax. The Municipal Association, as designated by state law, then distributes to cities and towns the municipal portion of the tax.



### **Brokers Tax Program**

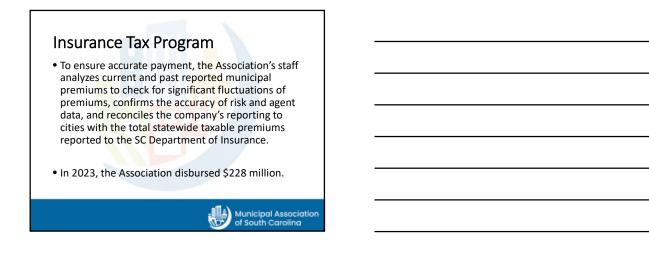
- The law requires the SC Department of Insurance to collect the brokers premium tax and deposit all revenue collected in to a special fund.
- The SCDOI is required to give the Association a full accounting, including the name and address of the broker, amount collected from each broker and the location of the risk covered by the insurance.
- In 2023, the Association disbursed \$29 million.



# Insurance Tax Program

- In 1994, the Association expanded the program to collect current business license taxes from insurance companies.
- Participating municipalities adopt a standard ordinance for insurance company business license taxes.
- 2% tax on property, casualty, title, and fire insurers.
- 0.75% on life, accident, and health insurers.





#### **Telecommunications Tax Program**

- The Municipal Association collects business license taxes due to municipalities from telecommunications companies.
- Annually in December, Association staff sends a notice to all telecommunications companies doing business in South Carolina for the municipalities participating in the program.

Municipal Association of South Carolina





# Act 176: SC Business License Standardization Act

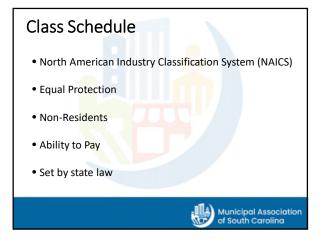
- SC Code Section 6-1-400 thru 6-1-420
- Standardized License Year and Due Date
- Standardized Class schedule
- Standardized Application
- Mandatory Usage of the Online Portal

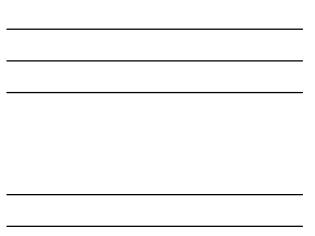
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## **Business License Year Timeline**

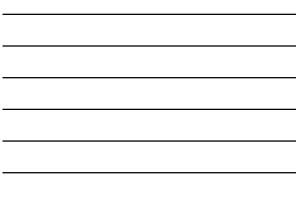
- License year is May 1 to April 30
- Gross Income is based on prior calendar year (January 1 to December 31) OR business' fiscal year
  Contractors may choose to pay per job
- Due date is April 30
- Standard penalty in the model ordinance is 5% per month

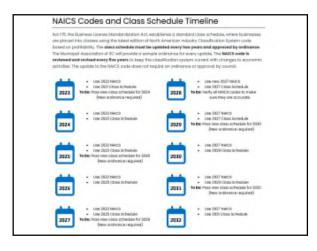




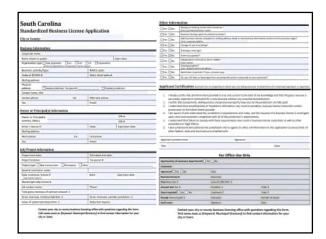


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Li	Mining .	2
12	Utilities	t
12-11	Manufacturing	1
42	Which sale is asia	1
44-48	Ratal it also	1.
48-49	Transportation and usambusing	1
41	kifematiot	-4
50	Praece and imprance	7
54	Real edute and rental and leasing	
14	Professional, scientific, and technical services	- 5
55	Management of companies.	7
16	Administrative and suggest and sante management and remediation services	
41	Educational services	1
42	Health care and applel epilitation	- 4
11	Arts entertailment, and recreation	.3
721	Approximitation	1
723	Field services and driving places	1
85	Other services	- 4
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13	Gentratien	8.1
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718120	Amusement Parks and Arcades	0.51
114280	Nargaryout Anusaement Machines	8.52
118980	AB 17ther, Annuaement and Recreational Industries ( pool tables)	8.6







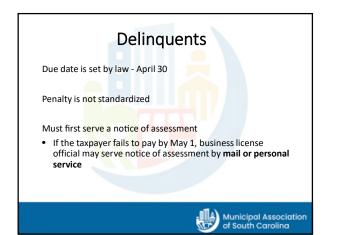


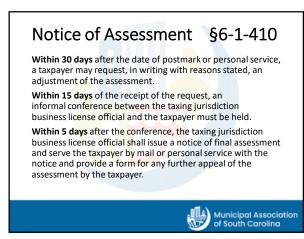
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## Appeals process

Standard appeals process for all jurisdictions

Within 30 days after the date of postmark or personal service, the taxpayer may appeal the notice of final assessment by filing the completed appeal form with the taxing jurisdiction business license official, by mail or personal service, and by paying to the taxing jurisdiction in protest at least eighty percent of the business license tax based on the final assessment.

Within 30 days after receipt of the appeal form, a hearing by the taxing council or its designee, must be held.

A written decision must be filed with the taxing jurisdiction business license official and served on the taxpayer by mail or personal service. This is the final decision of the taxing jurisdiction. Within 30 days of the postmark or personal service, the taxpayer may appeal to the Administrative Law Court.

> Municipal Association of South Carolina

§6-1-410





