



**ACCOMMODATIONS TAX
GRANT APPLICATION
FY26-27**



Accommodations Tax Grant Application Guidelines

Accommodations Tax Grants are provided to eligible projects through revenue received by the City for its share of the 2% lodging tax levied by the State of South Carolina. City Accommodations Tax Grants are awarded to eligible projects that physically take place within the limits of the City of Folly Beach.

As you prepare your application, please be mindful of the following requirements per City Ordinance 33.010:

- Accommodations Tax Funds must be used to attract and provide for tourists, and must be spent on tourism-related expenditures. These funds are for the purpose of developing and increasing tourist attendance through the generation of publicity. If an expenditure cannot be directly related to tourism, then accommodations tax revenue may not be used to fund the expenditure. See attached ordinance for specific guidelines.
- “Travel” and “tourism” mean the action and activities of people outside of the home community. Data tracking can and should support and qualify any event that brings in tourists to a region (50 miles or more) and boosts the local economy.
- In order to determine the “tourism” potential/exposure, the application requires applicant to provide an overall budget, percentage of tourists generated, a description of the event/project, and total attendance to the event/project.
- If this is a new project/event, then you must estimate this type of data in order to validate the “tourism” expenditures, and track it for the event/project.
- In order to qualify, applicants must provide a 25% match in funds. In-kind labor and contributions can be used towards the match. Proof of the match must be submitted at the time of the submission of the application.
- For profit entities are not eligible to apply for funds.
- Applicants must provide a list of other projects in which they have been involved.
- Applicants must submit a closing report with actual revenues and expenditures from funds received the prior year **including receipts for how funds were spent**, if any, before new funds can be released.

An Accommodations Tax Advisory Board, mandated by the State, reviews applications and makes recommendations to the City Council for the award of these funds.

Questions should be directed to Wes Graham at wgraham@follybeach.gov.

ACCOMMODATIONS TAX ADVISORY BOARD

§ 33.010 ACCOMMODATIONS TAX ADVISORY BOARD.

(A) *Purpose.*

The Accommodations Tax Advisory Board shall make recommendations to City Council on, and establish guidelines for, the granting of 65% of the state accommodations funds, also called discretionary funds, pursuant to S.C. Code § 6-4-10 et seq.

(B) *Composition and duties.*

(1) The Board shall consist of seven members: four of whom shall represent the hospitality industry, with two of those four being from the lodging sector; one shall represent a cultural organization; and two shall represent the general public. If all applicants are similarly qualified, preference should be given to Folly Beach residents and registered voters.

(2) The Board shall publish in the local newspaper an advertisement stating the guidelines to be used in applying for the funds, the date when the applications are due, and the name and phone numbers of the contact person.

(3) After the applications have been received and reviewed by the Board, the Board shall set a date and time for a meeting to hear testimony from all applicants.

(4) The Board shall submit to the Municipal Clerk within ten days after the hearing its recommendations to City Council.

(5) After filing its recommendations with the Municipal Clerk, the Board shall submit its recommendations to City Council on the granting of discretionary funds.

(C) *Meetings.* The Accommodations Tax Advisory Board shall meet when necessary to review and make recommendation to Council for the distribution of tax funds no later than September 15 of each year.

(D) *Guidelines for distribution of funds.*

(1) Sixty-five percent of the accommodations taxes received from the state, plus any interest earned, shall be placed in a special designated account until the time as the funds are distributed. Any funds not distributed for the fiscal year shall be earned over for redirection by ATAX, in addition to the next fiscal year's funds for distribution. If the funds have not been redirected by ATAX 30 days prior to their extinction dates, City Council shall expeditiously direct appropriate expenditure of these funds without ATAX recommendation.

(2) Entities or individuals applying for discretionary funds must either be a nonprofit organization or representing a nonprofit organization. It is not necessary for the applicant to have a 401(3)(c) Internal Revenue status to receive funds, but must be able to prove to the Board, if requested, that it is not a for-profit business.

(3) All requests for funding shall be tourism-related which include the following:

(a) Advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity;

(b) Promotion of the arts and culture;

(c) Construction, maintenance and operation of facilities for civic and cultural activities including construction and maintenance of access and the nearby roads and utilities for the facilities;

(d) Funding for the criminal justice system, law enforcement, fire protection, solid waste collection and health facilities when required to serve tourists and tourist facilities. The expenditure under this section must be for items that would normally not be provided if the city had no tourist activity and the amount of the expenditure must be based on the estimated percentage of costs attributable to tourism.

(e) Public facilities such as restrooms, dressing rooms parks, and parking lots;

(f) Tourist shuttle transportation;

(g) Control and repair of waterfront erosion; and

(h) The operating of visitor information centers.

(4) Under the state statute, in order to qualify as a "tourism-related expenditure" an expenditure must be used to attract or provide for tourists and cannot be used for an item that would normally be provided by the city.

(5) In order to qualify, applicants must provide a 25% match in funds. In-kind labor and contributions can be used toward the match. Proof of the match must be submitted at the time of the submission of the application.

(6) When submitting applications, applicants must provide:

(a) A budget showing revenues and expenditures when submitting their application;

(b) The names of all members of their board, commission or committee when submitting their applications;

(c) A list of other projects in which they have been involved, i.e., Sea and Sand Festival, Art Show and Competition and the like;

(7) A closing report with actual revenues and expenditures before August 1 of the following year. The report must include a list of items or services showing how funds were spent in one of the following formats: a bank statement with a detailed list of charges; canceled checks; receipts; or other suitable documentation. Future funds must be withheld if reports are not received.

(8) Any violation of the guidelines by the applicant shall result in forfeiture of any funds received and the applicant shall be prohibited from applying for future discretionary funds.

(Ord. 25-17, passed 9-26-17; Am. Ord. 27-19, passed 9-10-19)



Accommodations Tax Grant Application Instructions

The Accommodations Tax Application form and prior year reporting form (if you received funds the previous year) must be filled out completely. Supplemental information may be attached to the application, but may not replace it.

Applications must be received by 5:00 p.m. on ***Wednesday, August 19th***. Applications received after this time and date will not be accepted. (Note: This is not a postmark date.)

One (1) original plus eight (8) **Paper clipped** copies of pages 1-3 with receipts should be mailed to:

City of Folly Beach

Attn: Wes Graham

PO Box 48

Folly Beach, SC 29439

OR hand delivered to City Hall – **Attn: Wes Graham**

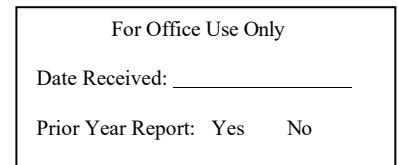
21 Center Street

Folly Beach, SC 29439

Following the August 19th deadline the City of Folly Beach Accommodations Tax Advisory Board will schedule presentations, an email will be sent to you with a schedule date

(8/24-8/28). The committee will meet again to make recommendations for funding to City Council. Applicants will be notified following the City Council's funding decision on September 8.

Questions should be directed to Wes Graham at wgraham@follybeach.gov



How does this project attract visitors (50 miles or more) to the area and promote tourism?

Requested Amount:

25% Match:

Total Project Budget:

\$ _____

\$ _____

\$ _____

List revenue sources and amounts for this event: (Attach a copy of budget)

Names of Board, Commission, or Committee Members:

Other Projects:

I hereby certify that the above information and statements are true according to my best information and that all Accommodations Tax Funds that may be received from the City of Folly Beach will be solely used for the purposes set forth in this application and will comply with all laws and statutes.

Signed: _____

Title: _____

Date: _____

FY 2025/2026(Prior Year)
Accommodations Tax Funding
Final Report

You may record information directly on this form or create a separate document for more detailed responses.

I. PROJECT INFO:

Organization Name: _____

Project Name: _____

Contact Name: _____ Phone: _____

II. PROJECT COMPLETION:

Were you able to complete the project as stated in your original application? _____

If no, state any problems you encountered.

III. PROJECT SUCCESS:

Please share any additional comments regarding the project. (e.g., lessons learned, successes, problems encountered, etc.)

IV. PROJECT ATTENDANCE:

Record numbers in table below, as requested by the Tourism Expenditure Review Committee. Numbers are to reflect attendance and funds received for projects for current and previous years.

		2025/2026		2026/2027
Total budget of event/project				
Amount funded by A-tax				
Amount funded by A-tax from all sources				
Total attendance				
Total tourists*				

* Tourists are generally defined as those who travel at least 50 miles to attend; however, the Committee considers every project/event on a case by cases basis.

V. METHODS:

Please describe the methods used to capture the attendance data listed above (license plates, surveys, etc.) _____

VI. PROJECT BUDGET & EXPENDITURES REPORT:

Attach report indicating detailed project expenses and **providing receipts to document** costs and payments of Accommodations Tax FY25/26grant.

VII. ORGANIZATION SIGNATURE:

Provide signature of official within organization, verifying accuracy of above statements.

Name _____ Title _____