

South Carolina

Admissions Tax Guide

If you operate a place of amusement in South Carolina, the entry or admission fee or the cost to use the place of amusement is subject to a tax. This tax is known as the "admissions tax." The tax is 5% of the admissions price.

Taxable Items

The law requires that admissions tax be collected and remitted to the South Carolina Department of Revenue on all paid admissions. Some of the places of amusement with paid admissions which are subject to the tax are:

- nightclubs, lounges or bars with a cover charge
- college and professional sporting events
- amusement parks
- golf courses (greens fees, range fees, membership dues)
- tennis or racquetball courts
- miniature golf or putt-putt courses
- skating rinks
- bowling alleys
- water slides
- movie theaters
- musical concerts
- promotional events, such as boat shows or home shows
- arts and crafts exhibits
- baseball batting cages

Exemptions

The admissions tax is collected on all paid admissions to all places of amusement within this state. The following items, however, are exempt from the admissions tax:

- 1) Stage plays or pageants in which only local or nonprofessional talent or players perform
- 2) Junior American Legion athletic events, unless a player or any other individual receives a salary or payments from the proceeds
- 3) High school or grammar school athletic events
- 4) Admissions to the State Fair or any county or community fair
- 5) Admissions charged by eleemosynary and nonprofit organizations organized exclusively for religious, charitable, scientific or educational purposes (See special exceptions to this exemption, listed below. Special rules apply to private clubs, particularly country clubs. For information on private clubs, contact the Department of Revenue office nearest you.)
- 6) Nonprofit public swimming pools
- 7) Hunting or shooting preserves
- 8) Privately-owned fish ponds or lakes
- 9) Circuses operated by nonprofit organizations organized exclusively for religious, charitable, scientific or educational purposes when the proceeds will be used for those same purposes
- 10) Properties or attractions named to the National Register of Historical Places
- 11) Classical musical performances of a nonprofit organization operated exclusively to promote classical music
- 12) Admissions to events sponsored by nonprofit organizations organized exclusively for religious, charitable, scientific, civic, fraternal or educational purposes, when the entire net proceeds are donated to an organization operated exclusively for charitable purposes
- 13) Admissions charged by nonprofit community theater companies, community symphony orchestras, county and community arts councils and other commissions and companies promoting the arts
- 14) Boats which charge a fee for pleasure fishing, excursion, sight-seeing and private charter

15) Admissions to physical fitness centers which provide only aerobics, calisthenics, weight-lifting equipment, exercise equipment, running tracks, racquetball, handball, squash, or swimming pools for aerobics or lap swimming

Taxable exceptions to item 5 above are athletic events of a college or university, and admissions to rides, places of amusement, shows, exhibits and other facilities at a circus, carnival or community fair, except when the proceeds are donated to a hospital.

If you qualify for one of the exemptions, you should obtain an exemption certificate by completing Form L-2068, *Application for Admissions Tax Exemption*.

License Requirements

Everyone who operates a place of amusement must obtain a permanent license to operate. The license is free. Apply for the license on Form L-514, *Application for License to Operate Place of Amusement*. An admissions tax license will not be issued if any state taxes are owed until the outstanding tax debt is paid.

The license must be displayed at all times in a place easily seen by the public. Licenses may not be transferred between people or locations. A separate license must be obtained for each operating location.

Ticket Requirements

If you operate a place of amusement and charge an admission price, you are required to issue a ticket to each person who enters. The ticket must be printed with the price of the admission. Upon entering the place of amusement, the ticket should be torn in half, with one-half given to the customer and the other half retained by the business. This requirement does not apply to season tickets or subscription tickets for a series of events.

The Department of Revenue may authorize businesses to use other methods of accounting for paid admissions other than tickets. Before using any method other than tickets, you should first seek authorization from your nearest Department of Revenue office.

A ticket may not be sold at a different price than the one printed on the ticket unless authorized to do so by the Department of Revenue.

It is illegal to reuse tickets or to alter them in any way. It also is illegal to use, possess, sell, buy, give away or trade altered or counterfeit tickets. Both of these activities are misdemeanors subject to up to two years in prison and a \$1,000 fine.

Returns and Payments

You are required to file a monthly tax return on Form L-511, *Admissions/Theater Tax Return*, and pay the 5% tax due with the return. Returns are due by the 20th day of the month following the month in which the tax was collected. For example, tax paid on admissions in January would be reported and paid by February 20.

Penalties

- Operating without a license is subject to a penalty of \$50 to \$500. Each day you operate without a license is considered a separate violation. You could also face criminal charges for continuing to operate without a license.
- Failure to display a license is subject to a penalty of \$50 to \$500.
- Failure to issue or tear tickets is subject to a penalty of \$50 to \$500 for each ticket. Failure to have the admission price printed on the ticket is subject to a penalty of \$50 to \$500 (unless the Department of Revenue has authorized some other method of accounting for admissions besides tickets).
- Failure to file a return by the due date is subject to a penalty of 5% per month for as long as the return is not filed, up to a maximum 25% penalty.
- Failure to pay the tax by the due date is subject to a penalty of 2 of 1% per month, up to 25%, plus interest at the rate charged by the IRS for underpayments, usually ranging from 8 to 12%.

Points to Remember

- If you close your business, file a final tax return and return your license to the Department of Revenue. This will prevent you from continuing to receive tax bills.
- If you change your business location, business name or address, please contact the Department of Revenue to get a new admissions license. The license is free.
- Be sure to file an admissions tax return every month, even if you had no business activity for that month. Simply enter zeroes in all the blanks.

- Even if you cannot afford to pay the tax you owe, be sure to file the return. Although you will still owe a penalty for failure to pay, you can avoid the higher penalty for failure to file your return.

For More Information

The Department of Revenue's Internet home page features a wealth of tax information, including admissions tax. Tax laws, regulations, policy documents, forms, publications and other general information can be found on our website at:

www.sctax.org

For updates on any changes in the admissions tax or any other tax, you may wish to subscribe to the Department of Revenue's free quarterly newsletter, *Revenews*. Call (803) 898-5419 to be placed on the mailing list.

A copy of the admissions tax laws may be ordered by sending a check for \$2 plus sales tax to: Forms, SC Department of Revenue, P.O. Box 125, Columbia SC 29214.

Tax returns and other correspondence should be mailed to: SC Department of Revenue, P.O. Box 125, Columbia SC 29214.

Frequently Called Numbers

Admissions Tax

License/Registration (803) 898-5872

General Information (803) 898-5743

Exemption Certificate (803) 898-5872

Refunds, Credit Memos (803) 898-5743

Delinquent Returns (803) 898-5743

Fax (803) 898-5888

Forms and Applications (803) 898-5320

or 1-800-768-3676

Taxpayer Service Centers

Aiken

(803) 641-7685

410 Barnwell Street NW

Beaufort

(843) 524-2852

Carolina Cove Executive Center

Suite 112

Charleston
(843) 852-3600
3 Southpark Circle, Suite 202

Columbia
(803) 896-5700
Columbia Mills Building
301 Gervais Street

Florence
(803) 661-4850
1452 West Evans Street

Greenville
(864) 241-1200
211 Century Drive

Myrtle Beach
(843) 293-6550
141 McDonalds Court

Rock Hill
(803) 324-7641
Business and Technology Center
454 S. Anderson Road, Suite 202

Spartanburg
(864) 594-4900
Hillcrest Offices, Suite 475
Fernwood/Glendale Road

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