

ORDINANCE NO. 2023 - ____

TOWN OF BLUFFTON, SOUTH CAROLINA

AN ORDINANCE AMENDING CHAPTER 6, *BUSINESS AND BUSINESS REGULATIONS*, ADDING DIVISION 1. – *LOCAL BUSINESS LICENSES* AND DIVISION 2. – *BUSINESS LICENSES FOR INSURERS, BROKERS, AND TELECOMMUNICATION PROVIDERS* TO ARTICLE II, *BUSINESS LICENSES AND REGULATIONS*, AUTHORIZING AND DIRECTING THE TOWN OF BLUFFTON TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT RELATING TO SOUTH CAROLINA LOCAL REVENUE SERVICES; TO PARTICIPATE IN ONE OR MORE LOCAL REVENUE SERVICE PROGRAMS; TO EXECUTE AND DELIVER ONE OR MORE PARTICIPANT PROGRAM SUPPLEMENTS; AND OTHER MATTERS RELATING THERETO.

WHEREAS, the Town of Bluffton (the “Municipality”) is authorized by S.C. Code Section 5-7-30 and Title 6, Chapter 1, Article 3 to impose a business license tax on gross income; and,

WHEREAS, under State law, certain business license taxes are applicable in a manner or at a rate that applies throughout the State (“Statewide Business License Taxes”); and,

WHEREAS, such Statewide Business License Taxes include without limitation the business license taxes applicable to insurers under Title 38, Chapter 7 of the S.C. Code; to brokers under Title 38, Chapter 45 of the S.C. Code; and to telecommunications companies under Title 58, Chapter 9, Article 20 of the S.C. Code; and,

WHEREAS, the Municipal Association of South Carolina (the “Association”) has previously established local revenue service programs in which the Association administers Statewide Business License Taxes on behalf of and for the benefit of participating municipalities; and,

WHEREAS, such local revenue service programs include a program known as the Insurance Tax Program (“ITP”) that administers business license taxes applicable to insurers under Title 38, Chapter 7 of the S.C. Code; a program known as the Brokers Tax Program (“BTP”) that administers business license taxes applicable to brokers under Title 38, Chapter 45 of the S.C. Code; and a program known as the Telecommunications Tax Program (“TTP”) that administers business license taxes applicable to telecommunications companies under Title 58, Chapter 9, Article 20 of the S.C. Code; and,

WHEREAS, the Municipality currently participates in ITP, BTP, and TTP; and,

WHEREAS, by Act No. 176 of 2020, known as the South Carolina Business License Tax Standardization Act and codified at S.C. Code Sections 6-1-400 to -420 (the “Standardization Act”), the South Carolina General Assembly imposed additional requirements and conditions on the administration of business license taxes; and,

WHEREAS, following the enactment of the Standardization Act, the Municipality enacted Ordinance No. 2021-09 on August 10th, 2021, in order to comply with the requirements of the Standardization Act (the “Current Business License Ordinance”); and,

WHEREAS, in connection with the enactment of the Standardization Act and the adoption of locally compliant business license ordinances, the municipalities of the State have determined that it would be advisable and prudent to update the existing local revenue service programs; and,

WHEREAS, in particular, the municipalities of the State have determined to establish and join South Carolina Local Revenue Services (“LRS”) by intergovernmental agreement, which among other things will administer Statewide Business License Taxes on behalf of its participants, including but not limited to by continuing to offer the services provided by the ITP, BTP, and TTP; and,

WHEREAS, Article VIII, Section 13(A) of the South Carolina Constitution provides that “(a)ny county, incorporated municipality, or other political subdivision may agree with the State or with any other political subdivision for the joint administration of any function and exercise of powers and the sharing of the costs thereof;” and,

WHEREAS, the Town Council of the Municipality (the “Council”) now wishes to authorize and direct the Municipality to join LRS and to participate in one or more local revenue service programs; and,

WHEREAS, the Town of Bluffton Town Council desires to amend Chapter 6, *Business and Business Regulations*, adding Division 1. – *Local Business Licenses* and Division 2. – *Business Licenses for Insurers, Brokers, and Telecommunication Providers* to Article II, *Local Revenue Service Programs*.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BLUFFTON, SOUTH CAROLINA, in accordance with the foregoing, the Town hereby amends the Code of Ordinances for the Town of Bluffton as follows:

SECTION 1. DIRECTION TO APPY TO AND JOIN LRS. The form of the Local Revenue Services Agreement (the “Agreement”) pursuant to which a municipality may request to participate in LRS and, if approved, become a participant is attached hereto as Exhibit A. The Town Manager (the “Executive Officer”) is hereby authorized and directed to apply to participate in LRS. If the Municipality’s application is approved by LRS, then the Executive Officer shall execute and deliver a counterpart to the Agreement in substantially the form attached hereto. The Council hereby approves the terms and conditions of and agrees to comply with the Agreement upon the execution and delivery thereof by the Executive Officer.

SECTION 2. PARTICIPATION IN LOCAL REVENUE SERVICE PROGRAMS. The Council determines that, if admitted to LRS, the Municipality will participate in the ITP, the BTP, and the TTP. The Executive Officer is hereby authorized and directed to execute and deliver any required Participant Program Supplements (as such term is defined in the Agreement) as may be necessary to participate in such local revenue service programs.

SECTION 3. AMENDMENT. The Town of Bluffton hereby amends Chapter 6, *Business and Business Regulations*, to add Division 1. – *Local Business Licenses* and Division 2. – *Business Licenses for Insurers, Brokers, and Telecommunication Providers* to Article II, *Business Licenses and Regulations*, of the Code of Ordinances for the Town of Bluffton, South Carolina, as shown on Exhibit A attached hereto and fully incorporated herein by reference.

SECTION 4. REPEALER, EFFECTIVE DATE. All ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be effective on the date of final reading.

DONE, RATIFIED AND ENACTED this ____ day of _____, 2023.

This Ordinance was read and passed at first reading on April 11, 2023.

Lisa Sulka, Mayor
Town of Bluffton, South Carolina

Kimberly Gammon, Town Clerk
Town of Bluffton, South Carolina

This Ordinance was read and passed at final reading on _____, 2023.

Lisa Sulka, Mayor
Town of Bluffton, South Carolina

Kimberly Gammon, Town Clerk
Town of Bluffton, South Carolina