



Hospitality Tax Grants Guidelines & Application Grant Reporting Form and Request for Funds

TO CITY OF CHESTER HOSPITALITY TAX APPLICANTS:

The City of Chester supports organizations that contribute to the quality of life of our citizens by sponsoring, planning or hosting recreational and cultural events or managing those destinations that will attract tourists to spend time in Chester, promote the uniqueness of Chester and return for repeat visits. The City began collecting the Hospitality Tax to show our commitment to such community organizations and to support their efforts.

INTRODUCTION:

These guidelines and application are designed so that you fully understand the intent of the Hospitality Tax and its intended use within the City of Chester. Please read the guidelines carefully and complete the application in its entirety. Incomplete applications will not be considered. The guidelines will also assist you in determining whether your projects and/or programs are eligible for Hospitality Tax funding. In addition to reading the guidelines, it is important that you review the Compliance Information on page three (3) of the Application Form before you begin preparation. The application is meant to determine the project/event, budget, how Hospitality Tax dollars will be used, and the number of attendees.

A. LOCAL HOSPITALITY TAX LAWS

Hospitality Tax Grants are available to eligible projects through revenue collected by the City from the 2% Hospitality Tax on the sale of all prepared foods and beverages served within the City of Chester.

The revenue generated by the collection of hospitality taxes must be used solely for the following purposes:

1. Tourism-related buildings, including, but not limited to: civic centers, coliseums, and aquariums.
2. Tourism-related cultural, recreational, and historic facilities.
3. Beach access and re-nourishment.
4. Highways, roads, streets, and bridges providing access to tourist destinations.
5. Advertising and promotions related to the development of tourism.
6. Water and sewer infrastructure to serve tourism-related demand.

In a county in which less than nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, an amount not to exceed fifty percent of the revenue in the preceding fiscal year of the local hospitality tax authorized pursuant to this article may be used for the additional purposes provided in item (1) of this subsection.

The City of Chester defines a tourist to be anyone traveling from outside of the city limits.

“Tourism development” is considered anything involving bringing tourist into the city or providing essential services while they are here.

“Promotion and Marketing” should be designed to create an interest and demand in a location or event, entice individuals to visit and participate, and satisfy them so that they return.

B. CONDITIONS FOR FUNDING:

1. Organization must be a nonprofit with an operational board and documentation from the South Carolina Secretary of State and be in good standing with both the State and IRS.
2. City Hospitality Tax Grants are awarded to eligible projects that physically take place within the corporate limits of the City of Chester.
3. The event must “attract” and/or “provide for tourists.”

C. PROCEDURES

1. The City Administrator will review each application for completeness and to see if it meets the basic intent of the statute after receipt.
2. Complete applications will be logged and presented to City Council. Each Applicant should be prepared to make a five (5) minute oral presentation of the funding request to City Council at least 60 days before an event. You will be notified of the presentation meeting date and time.
3. In order to apply for funds, a firm date must be set for the event (a date cannot be tentative) and a firm venue secured. Written confirmation of the secured venue should be provided along with the application.
4. The Grant Reporting Form must be submitted 30 days after the end of the event to be eligible for future funding.
5. If your funding request is granted, please be advised that Hospitality Tax funding carries the following conditions:
 - The City has the right to audit the organizations funded. (Ex: Looking at their books or attending the events.) This includes access to all records of expenditures.
 - Recipient organizations are subject to ongoing evaluations by City staff. The goal of these evaluations is to encourage self-sufficiency for each organization or program funded through the use of additional or alternative funding sources.
 - All projects must be completed during the fiscal year in which they are funded. Fiscal year 2016-17 begins July 1, 2016 and ends on June 30, 2017.

D. RULES FOR DISBURSEMENT OF FUNDS:

1. Statement of Assurance accompanying award notification must be signed and returned.
2. Reimbursement for project expenses requires the submission of invoices verifying expenditures
3. Expenditures must be consistent with the application budget.
4. Only goods and services that comply with the Hospitality Tax Guidelines and State Law are reimbursable.
5. Reimbursement checks will be written only to the applicant.
6. Request for reimbursement must be on letterhead from the organization funded, including a valid contact number and address. Invoices for reimbursements should be submitted with the letter.

Eligible expenditures:

- Advertising/Promotions/Marketing (designing, printing, postage for items mailed to attract tourist)
- Municipal services/Security
- Entertainment/Speakers/Guest Artist Instructors
- Infrastructure improvements

Ineligible Expenditures:

- Any Rentals,
- Items given to tourist once they are here (tee shirts, cups, trophies...etc.)
- Insurance or licenses, invoices outside the funding year, salaries
- Transportation or accommodations,

- Food or beverages
 - Decorations, staging or fencing
7. Checks will not be released without an IRS Form W-9, Statement of Assurance, and a completed Grant Reporting Form on file. The process of receiving a check, after receipt of eligible back up, takes approximately 10-14 business days.
 8. Quarterly allocations are made when applicable. A portion of funding may be obtained in advance but back up must be submitted within 30 days after event.
 9. ALL request for funding and/or request to carry forward funding in a fiscal year MUST be received by May 30th of the funding year. If May 30th falls on Saturday or Sunday, the deadline will be the following Monday.
 10. Applicants must verify two sources used to verify attendance.
 11. **Full reimbursement for all projects is dependent on the receipt of expected Hospitality Tax revenues from the State of South Carolina. Any decision or lower than expected funding could affect project reimbursement. If funding received is less than budgeted, project reimbursements will be reduced on a pro-rata basis or as otherwise determined. Project Directors should remember this in developing project budgets.**

E. INSTRUCTIONS FOR SUBMITTING AN APPLICATION:

1. Submit your original application plus twelve (12) copies (front and back) with standard three holes punched to: City of Chester City Hall, 100 West End Street, Chester, SC 29706.
2. Original application and copies should include the following required attachments:
3. **Submit the following required documents as attachments to your funding request:**
 - A detailed budget for the project/event (not the organization) for which you are requesting funds
 - A project/event specific Income & Expense statement for same or similar project/event for the previous funding year, if applicable
 - South Carolina Secretary of State letter
 - W-9 form
 - A copy of your 990-tax form (if applicable)
 - A list of current board members
 - A list of all paid staff member, indicate full or part-time or indicate if no paid staff
 - A completed Special Events Form
 - Two sources to be used to verify attendance.

F. COMPLIANCE INFORMATION In the event that you receive a grant award, the information requested in this section will aid the City of Chester in documenting compliance with state statutes governing the expenditure of Hospitality Tax funding. Please list your organizations information below. If your organization is using a fiscal agent, please list their information below.

1. **How long has this organization been in existence?** Years Months
2. **Is this organization currently chartered as a private, non-profit Organization under South Carolina law?** Yes No Date of Charter:
3. **Does this organization have an IRS Determination Letter and/or a Federal Identification Number?** Yes No Federal ID#: Date of Letter:



Hospitality Tax Grant Application

Office Use Only

Date Received: _____

Amount Requested: _____

Amount Funded: _____

A. Amount you are requesting: \$ _____

B. For a: ☐ One-time Event ☐ Annual or recurring event ☐ Other: _____

Project Name _____

Date(s) of Event _____ Location of Event _____

(Please attach documentation of venue and date confirmation)

C. Sponsor Organization _____

Contact Name & Title _____

Address _____

Telephone _____ Email _____

Tax Status: _____

Years/Months in Existence? _____

(Please provide a list of active board members, Secretary of State Letter and IRS designation letter)

Federal ID Number: _____

Are you in good standing with both the IRS and the Secretary of State? _____

D. Describe the proposed project or activities for which funds are requested and the timetable for implementation:

E. How does this project attract visitors to the area & and promote tourism?

F. Estimated Total Attendance: _____

Of this total attendance, what is the estimated number of “tourists” (non-residents) attending the event? _____

How will you measure where your visitors will come from?

G. Financial information: Total Project Budget \$ _____

Please attach a copy of your budget using the attached form to detail all expenses and revenues for this project.

1. EXPENSES: How are funds spent for this project? What are your total expenses?
2. REVENUES: How is this project funded? What are your revenues for this project? You must list all funding sources for this project. Some examples include:
 - Accommodations Tax Grant (county)
 - Foundation Grant(s) and Individual Contributions
 - Entry Fees/ (Admissions, etc.), Sold Services or Concessions/Merchandise
 - Sponsorships Sold or Space Rental Fees
 - Special Event Fundraisers

H. Detail how the funds requested from the City of Chester will be spent:

Use the following Categories:

Statutory Category for Funding	Amount
Printing/Publications (designing, printing, postage for items mailed to attract tourist)	
Advertising/Promotions/Marketing (design cost, air time, etc)	
Entertainment/Speakers/Guest Artist or Instructors	
Municipal services/Security (specify)	
Infrastructure improvements (specify)	
Total Requested	\$

G. STATEMENT OF ASSURANCES/CERTIFICATION

Upon grant application acceptance and funding award, applicant agrees that financial records, support documents, statistical records, and all other records pertinent to Hospitality Tax funding shall be retained for a period of three years. The applicant agrees that all procurement transactions, regardless of whether negotiated or advertised and without regard to dollar value, shall be conducted in a manner so as to provide maximum open free competition. The funding recipient shall establish safeguards to prohibit employees from using their positions for a purpose that has the appearance of being motivated by a desire for private gain for themselves or others. All expenditures must have adequate documentation. All accounting records and supporting documentation shall be available for inspection by the City of Chester upon request. No person, on the basis of race, color, or national origin, should be excluded from participation in, be denied the benefit of, or be otherwise subjected to discrimination under the program or activity funding in whole or in part by Hospitality Tax funds. Employment made by or resulting from Hospitality Tax funding shall not discriminate against any employee or applicant on the basis of handicap, age, race, color, religion, sex or national origin. None of the funds, materials, property, or services provided directly or indirectly under Hospitality Tax funding shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office. The applicant hereby certifies that the information submitted as part of this application is accurate and reliable. Any change and/or variation must be reported immediately, otherwise funding may be withheld.

Name: _____

Title: _____

Signature: _____ Date: _____

Witness: _____ Date: _____



Hospitality Tax Grant Reporting and Reimbursement Request

Due 30 days after event

Office Use Only

Date Received: _____

Date of Event: _____

- A. Project Name _____
- B. Date(s) of Event _____ Location of Event _____
- C. Amount funded _____ Reimbursement Request \$ _____
- D. Sponsor Organization _____
- Contact Name _____ Title _____
- Telephone _____ Email _____

A. Detail how the funds from the City of Chester were spent:

Please attach receipts and proof of paid invoices for each category and vendor used.

Statutory Category for Funding	Amount
Printing/Publications (designing, printing, postage for items mailed to attract tourist)	
Advertising/Promotions/Marketing (design cost, air time, etc)	
Entertainment/Speakers/Guest Artist or Instructors	
Municipal services/Security (specify)	
Infrastructure improvements (specify)	
Total Requested	\$

B. Estimated Total Attendance: _____ **Tourist attendance:** _____

What two sources did you use to collect tourist data? (Attach source used to justify attendance.)

☐ Wireless Data (TruVista)

☐ Volunteer Zip Code Collection

☐ Visitors' logs (i.e. Chamber of Commerce, Farmers Market, Arts Council, CDDA, etc)

☐ Local hotel rooms occupied (% increase during event date)

☐ Other _____

☐ Other _____

I hereby certify that the above information and statements are true according to my best information and that all Hospitality Tax Funds that were received from the City of Chester were be solely used for the purposes set forth in this report, and complied with all laws and statutes.

Signature: _____ Date: _____

Title: _____

This form should be used to submit your application as well as the project report.

Itemize Total Expected Project Costs	
Itemize Individual Expenses Below	Dollar Amount
Total Projected Cost	

List ALL Sources of Funds for the Proposed Project		
Source of Funds	Proposed, Requested, Received	Dollar Amount
Total Budget		

This form should be used to submit your application as well as the project report.

Detail How the Hospitality Tax Grant Funds Will Be/Were Used	
Printing/Publications (designing, printing, postage for items mailed to attract tourist)	Dollar Amount
Advertising/Promotions/Marketing (design cost, air time, etc)	
Entertainment/Speakers/Guest Artist or Instructors	
Municipal services/Security (specify)	
Infrastructure improvements (specify)	
Amount Requested <i>(Must equal to the amount in application)</i>	