

**ORDINANCE NO. 10-99**  
**AMENDING THE BUSINESS LICENSE ORDINANCE**  
**LEVYING A BUSINESS LICENSE TAX ON TELECOMMUNICATIONS**

**WHEREAS**, the South Carolina General Assembly has adopted Act No. 112 of 1999 which provides for municipalities to charge business license taxes and fees for the use of public rights of way to telecommunications companies; and

**WHEREAS**, it is necessary to amend the business license ordinance to conform to State law;

**NOW THEREFORE, BE IT ORDAINED** by the Mayor and Council of the City/Town of Atlantic Beach, SC, that the Business License Ordinance is amended as follows:

**Section 1.**

a. Notwithstanding any other provisions of the Business License Ordinance, business license taxes for retail telecommunications service as defined in S. C. Code § 58-9-2200, including but not limited to those services described in Standard Industrial Classification (SIC) 481 and North American Industry Classification System (NAICS) 5133, shall pay an annual business license fee based on gross income.

b. Pursuant to S. C. Code § 58-9-2220, the following business license tax schedule shall apply to the gross income from retail telecommunications services for the preceding calendar or fiscal year which either originate or terminate in the municipality and which are charged to a service address within the municipality regardless of where these amounts are billed or paid and on which a business license tax has not been paid to another municipality. The measurement of the amounts derived from the retail of mobile telecommunications services shall include only revenues from the fixed monthly recurring charge of customers whose service address is within the boundaries of the municipality.

Rate for license taxes due in the years 1999 through 2003:

three tenths of one percent (0.3 %) of gross income for the preceding year;

Rate for license taxes due in the year 2004 and each year thereafter:

seventy-five hundredths of one percent (0.75 %) of gross income for the preceding year.

For a business in operation for less than one year, the amount of business license tax authorized by this section shall be computed on a twelve-month projected income.

**Section 2.**

a. The rate for business licenses for retail telecommunications service for 1999 shall be 0.3% of 1998 gross income, due on October 1, 1999, and payable by January 31, 2000, without penalty.

b. The telecommunications business license tax shall be due on January 1 in each year, beginning in the year 2000. Declining rates shall not apply. Taxes are payable without penalty by January 31 following the due date. After January 31, the delinquent penalty shall be five percent (5 %) of the tax due for each month, or portion thereof, after the due date until paid.

**Section 3.**

Exemptions in the business license ordinance for income from business in interstate commerce are hereby repealed. Properly apportioned gross income from interstate commerce shall be included in the gross income for every business subject to a business license tax.

**Section 4.**

a. Nothing in this ordinance shall be interpreted to interfere with continuing obligations of any franchise agreement or contractual agreement in the event that the franchise or contractual agreement should expire after December 31, 2003.

b. Fees imposed by any franchise or contractual agreement with a telecommunications provider which expires prior to December 31, 2003 shall continue in effect until December 31, 2003.

c. All fees collected under such franchise agreement or contractual agreement shall be in lieu of fees or taxes which might otherwise be authorized by this ordinance.

d. A business license tax ordinance, adopted prior to December 31, 1997, which levied a business license tax paid by a telecommunications company higher than that levied under this ordinance, shall remain in effect through December 31, 2003.

**Section 5.**

As authorized by S. C. Code § 5-7-300, the Agreement with the Municipal Association of South Carolina for collection of current and delinquent license taxes from telecommunications companies pursuant to S. C. Code § 58-9-2200 in the form attached hereto is approved, and the Mayor is authorized to execute it.

**Section 6.**

All ordinances in conflict with this ordinance are hereby repealed.

This ordinance shall be effective on the date of final reading.

Eva E. McMillan  
Mayor

ATTEST

Chandria Cox  
Clerk

First reading: August 16, 1999

Final reading: August 23, 1999