



## GUIDELINES FOR HOSPITALITY TAX (H-TAX) FUNDING

FY 2026 (July 1, 2025 - June 30, 2026)

**Grant Due: February 2, 2025, before 11:59 PM**

**Application must be submitted in ZoomGrants**

**Grant cycle will open December 2, 2024 in ZoomGrants**

County Promotion Grants are funded through Hospitality Tax (H-Tax) revenues collected in **unincorporated** Richland County as well as incorporated municipal areas of the Town of Irmo which lie in Richland County and the entire incorporated municipal area of the Town of Eastover. These funds may be used for tourism related events and programs in Richland County, with a priority of funding projects in those areas where H-Tax funds are collected. Please pay close attention to grant guidelines as they explain organization and program eligibility as well as funding priorities.

On May 6, 2003, Richland County Council passed an ordinance establishing a two-percent (2%) H-Tax on all prepared food and beverages sold in the unincorporated areas of Richland County. The proceeds from this tax are to be used for the dedicated purpose of promoting tourism in Richland County. The County Promotions program is a competitive grants program that provides H-Tax funds to eligible organizations.

### ALLOCATION REQUIREMENTS

During FY25, Richland County awarded \$600,000 in grants through the County Promotions process. County Promotions award amounts ranged from \$2,000 to \$30,000. The amount available for FY26 grants is subject to change through County's budget process.

For the amounts distributed under the County Promotions program, funds will be distributed with a goal of seventy-five percent (75%) dedicated to **organizations and projects that generate tourism in the unincorporated areas of Richland County and in municipal areas where Hospitality Tax revenues are collected by the county**. These shall include:

- a. Organizations that are physically located in the areas where the county collects Hospitality Tax revenues, provided the organization also sponsors projects or events within those areas;
- b. Organizations that are not physically located in the areas where the county collects Hospitality Tax Revenues; however, the organization sponsors projects or events within those areas; and
- c. Regional marketing organizations whose primary mission is to bring tourists to the region, including the areas where the county collects Hospitality Tax Revenues.

25% of County promotions funds will be allocated to organizations and projects in the incorporated areas of Richland County (Arcadia Lakes, Blythewood, City of Columbia and Forest Acres).

### COUNTY PROMOTIONS GRANT PROCESS

To be considered for funding, an application **must be submitted in ZoomGrants by the published deadline, February 2, 2025, 11:59 PM**. Once all applications for H-Tax County Promotions Grant funds are received by Richland County and eligibility is verified, they will be forwarded to the Hospitality Tax Advisory Committee (Committee) for review.

Applicants will have the option to deliver a four (4) minute presentation on their program to the Committee in March/April. The date will be announced as soon as possible.

The Committee will review and score each application based on the evaluation measures described below. Applications will be ranked based on the scores and the Committee will determine funding recommendations. The Committee will submit its funding recommendations to the County for review by County Council. County Council makes all funding decisions; however, the Council relies heavily on the recommendations of the Committee. Funding of all projects is entirely dependent upon H-Tax funds being received by Richland County.

## COUNTY PROMOTIONS GRANT TIMELINE

Request for applications:	December 2, 2024 – February 2, 2025
Application due date:	February 2, 2025, 11:59 PM
H-Tax Committee meeting & applicant presentations:	March 2025
County budget process:	April – June 2025
Budget Public Hearing:	May 6, 2025 (date subject to change)
Grant award notifications:	June 2025
Grant Period:	July 1, 2025 - June 30, 2026 (if awarded)
Mid-Year Reports:	Due by January 31, 2026 (if awarded)
Final Reports:	Due by July 31, 2026 (if awarded)

## ORGANIZATION ELIGIBILITY REQUIREMENTS

- Applicant organizations **must** have been in existence for at **least one (1) year prior** to requesting funds.
- Applicants must provide proof of their non-profit status or fall into one of the following categories:
  - Organizations exempt from federal income tax under Section 501(C)(3) of the Internal Revenue Code and whose primary goal is to attract additional visitors through tourism promotion. The letter of exemption from the Internal Revenue Service must accompany your proposal.
  - Destination Marketing Organizations, which are recognized non-profit organizations charged with the responsibility of marketing tourism for their specific municipalities, counties or regions, such as Chambers of Commerce, Convention and Visitors Bureaus and Regional Tourism Commissions.
  - The Town of Eastover and the Town of Irmo may also apply for funds.
- Richland County will not award H-Tax funds to individuals, fraternal organizations, or organizations that support and/or endorse political campaigns.
- Religious organizations may receive funding; however, Richland County may not sponsor nor provide financial support to a religious organization in a manner which would actively involve it in a religious activity (i.e. public funds must not be used for a religious purpose). Thus, any funds provided must be solely utilized for secular purposes and the principal or primary goal of the sponsored activity must not be to advance religion.
- Grantee organizations may not re-grant County funds to other organizations. All funds must be spent on direct program expenditures by the organization that is granted the allocation.
- Council approved that beginning in FY17 all organizations that use a fiscal agent to administer grant funded projects through the Hospitality Tax grant program can only do so for one fiscal year, after which they must have a 501 (c) (3) tax exempt status to receive future Hospitality Tax grant funds from the County.

## CRITERIA FOR PROJECT ELIGIBILITY

As required by the Hospitality Tax Ordinance, projects to be funded by Hospitality Tax funds must result in **the attraction of tourists to Richland County.**

Per SC Code of Laws SECTION 6-1-730, projects must fall under one of the following to qualify for H-Tax funds:

(A) The revenue generated by the hospitality tax must be used exclusively for the following purposes:

- (1) tourism-related buildings including, but not limited to, civic centers, coliseums, and aquariums;
- (2) tourism-related cultural, recreational, or historic facilities;
- (3) beach access and re-nourishment;
- (4) highways, roads, streets, and bridges providing access to tourist destinations;
- (5) advertisements and promotions related to tourism development; or
- (6) water and sewer infrastructure to serve tourism-related demand.

(B)(1) In a county in which at least nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, the revenues of the hospitality tax authorized in this article may be used for the operation and maintenance of those items provided in (A)(1) through (6) including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

(2) 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 accommodations tax authorized pursuant to this article may be used for the additional purposes provided in item (1) of this subsection.

SECTION 6-1-760 states that "tourist" means a person who does not reside in but rather enters temporarily, for reasons of recreation or leisure, the jurisdictional boundaries of a municipality for a municipal project or the immediate area of the project for a county project.

Priority will be given to projects that demonstrate a benefit to **unincorporated** Richland County or regional marketing efforts that draw tourists to the area, especially those areas where Richland County collects Hospitality Tax (Unincorporated Richland County, Town of Eastover and the Richland County portions of the Town of Irmo).

If you are not sure if your program or organization is located in incorporated or unincorporated Richland County, please call the County Ombudsman for assistance at (803)929-6000.

Each application/proposed project will be reviewed individually to determine the potential impact it will have for tourism in unincorporated Richland County.

## **FUNDING PRIORITIES**

**Priority will be given to projects that:**

- Promote dining at restaurants, cafeterias, and other eating and drinking establishments where Richland County collects Hospitality Tax (Unincorporated Richland County, Town of Eastover and the Richland County portions of the Town of Irmo);
- Generate overnight stays in **unincorporated** Richland County's lodging facilities; and
- Promote and highlight **unincorporated** Richland County's historic and cultural venues, recreational facilities and events and the uniqueness and flavor of the local community.

Funds will be distributed with a goal of **seventy-five percent (75%) dedicated to organizations and projects that generate tourism in the unincorporated areas of Richland County and in municipal areas where Hospitality Tax revenues are collected by the county** (Unincorporated Richland County, Town of Eastover and the Richland County portions of the Town of Irmo). Richland County does not receive H-Tax revenue from incorporated areas.

## **APPLICATION COMPONENTS**

Applications must be submitted in ZoomGrants through Richland County's website:

<https://zoomgrants.com/gprop.asp?donorid=2236>.

Please answer each question in the space provided on the application. All answers should be concise and to the point. No item should be left blank. Answers such as "See Attached" and "N/A" are not acceptable. Incomplete applications will not be reviewed by the H-Tax Committee.

The application must be initialed electronically by the organization's Executive Director or Board Chair in the ZoomGrants system. If your organization is volunteer driven and does not have an Executive Director, please note this in the application.

**Total Meal and Overnight Justification** - In this section of the application, estimate the number of meals that will be consumed in restaurants and overnight stays in the **unincorporated** areas of the County. Take the following items into consideration when making your estimations and provide a justification explaining how you came up with this number:

- How many people will attend your event?
- Of these, how many people live in the incorporated areas of Richland County? These attendees will more likely eat at home or in restaurants closer to where they live? Richland County does not collect H-Tax in the City of Columbia, Forest Acres, Arcadia Lakes or Blythewood.
- How many of these people live in the unincorporated areas? Only a small portion of these may actually eat out. How many will eat at home?
- How many tourists are attending your event? How many hotel rooms are booked for your event? These are the people who will eat meals out.
- Estimate total hotel room nights will be booked due to your event. Are these rooms located in the unincorporated areas of the County? How will you track this number?

If awarded, organizations will be asked to provide actual attendance and tourism numbers as well as estimated meal and room numbers in their final report.

**Program Locations** – Provide the (full address) street number and street name of your program location. This helps the County track locations of incorporated and unincorporated events.

**Project Description** - Describe the project in its totality or at completion of the presently known ultimate stage, and/or the portion, phase or section of the total project for which funding is now being requested.

- Include a thorough, but concise description (Who, what, when, where and why).
- Include information about innovative ideas, community support and partnerships.
- Describe coordination that has been completed or will be needed with other organizations: if they are engaged in similar activities, or if they will be expected to be the beneficiary of this project.

**Economic Impact** - In this section, provide the income (sponsorship, grants, tickets, food sales and any other income generated from the event as well as expenses for FY23, FY24 and FY25. You must include this information even if the event did not receive H-Tax dollars in the past. If this is a new event, please place zeros in the years in which the event did not take place.

**How Will Your Organization Use Income, If Any, Generated by This Program/Event?** Describe how your organization uses any income that is generated from your event or project. If the net proceeds are zero, then indicate that the program/events do not generate income in this section.

**Benefit to Tourism** – How does your event promote and highlight unincorporated Richland County’s historic and cultural venues, recreational facilities and events and the uniqueness and flavor of the local community? Describe how your project will impact tourism in Richland County? Include support with data and other records or history. How are you working with local hotels and other hospitality businesses?

**Benefit to Community** – Describe how your project will benefit the community and Richland County. Include support with data and other records or history.

**Project Marketing Plan** – Outline your marketing, advertising, and promotional plans for your program. How will you track visitors and overnight stays? What methods are you using to track all visitors and count the number of tourists and residents that attend your event or participate in your program?

**Previous Success/Organization Capability** – Describe how your organization has successfully managed this program or similar programs in the past. Describe your organization’s capacity for managing the program described.

## **BUDGET/ELIGIBLE EXPENDITURES**

**H-Tax County Promotions grant funds must be used for tourism related expenses in the following categories only:**

- Advertising/Promotions/Marketing (including designing, printing, postage for items mailed to attract tourist). At least **70%** of marketing expenses must be paid to advertise outside of Richland County.
- Security/Emergency Services (Fire Marshalls, police, sheriff deputies, etc.)
- Entertainment/Speakers/Guest Artist/Instructor - Entertainment expenses should be no more than **50%** of the total requested amount of the grant.
- Venue fees or rentals
- Transportation or accommodations
- Staging or fencing
- **20%** of operational and maintenance of tourism related buildings and cultural, recreational, or historic facilities

**Some of the expenditures NOT eligible are:** Items given to tourists once they are here (T-shirts, cups, trophies, prizes, swag bags, etc.), cash payments, gift cards, food or beverages, insurance or licenses, invoices outside the funding year, stipends and salaries (other than previously mentioned), event signage, flyers or decorations.

All grant funds must be expended by the recipient organization. *Re-granting* or *sub-granting* of funds is **NOT** allowed.

Expenditures **must** be consistent with the application budget. Only goods and services that comply with the H-Tax

Guidelines and State Law are permitted. Project or event vendors will not be paid directly by Richland County.

The budget should reflect in financial terms the actual costs of achieving the objectives of the project(s) you propose in your application. A budget form is provided for you as part of the application.

Amounts listed in the County H-Tax Request column should total the amount of funds requested in the application. Please make sure that all expenses in County column fit the expense criteria mentioned above. Eligible expenses for H-Tax grants are different from A-Tax grants. Note that there are blank spaces to provide additional expense categories as all budgets are not the same. Feel free to use these additional spaces for other categories not listed such as rentals or transportation.

\*Hospitality Tax Grant funds can only account for up to **50%** of the total cost of the program/event you are applying for. Applicants must provide **50%** of the total cost of the project as either in-kind or cash match.

**Budget Narrative/Justification (H-Tax Grant Funds Only)** - Please include a detailed description for each category included in the budget. For example:

- Marketing/Advertising – \$5,000 for 6 billboards located in Charleston, Greenville, Aiken, Myrtle Beach and Rock Hill. \$1,000 for TV ads on WIS. \$2,500 radio ads on Clear Channel
- Security/Emergency Services: \$100 fire marshal, \$300 Richland County Sheriff's Deputies
- Entertainment: \$9,000 for 3 bands
- Rentals: \$2,000 tents, \$500 sound system, \$1,000 stage

**Budget Tips:**

- Budgets **MUST** be entered on the budget section of the application and **MUST** include a narrative for H-Tax expenditures. This tells Richland County in detail how you plan to spend the grant funds.
- Grant funds should be used for tourism marketing first above any other expense. See the list of eligible expenditures above for more information.
- Be as detailed as possible in your budget narrative. If awarded, this information will be compared to your payment requests. Items in your payment requests must appear in your application budget.
- Signage and banners used at your event, directional signage, programs, volunteer T-shirts, and other items handed out at your event **do not** count as marketing expenses.

**PROCUREMENT NOTICE:** Organizations receiving **\$50,000** or more in H-Tax funds will be required to follow County Procurement Code when spending County H-Tax funds. Your expenditures will not run through the County's Procurement Office, but they will need to be procured based on the County's Code. Education materials can be sent to organizations prior to the grant due date and a grant training session will be held to provide education and the opportunity to ask questions. County staff will conduct audits during the year to ensure organization compliance.

**STATEMENT OF ASSURANCES**

By providing electronic initials and submitting the H-Tax County Promotions application, your organization is agreeing to the following Statement of Assurances:

- 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.
- 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 and others.
- All expenditures must have adequate documentation.
- All accounting records and supporting documentation shall be available for inspection by Richland County upon request.
- No person, based on race, color, national origin, religion, age, sex, ancestry, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, veteran status, military discharge status, citizenship status or reprisal or retaliation for prior civil rights activity 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 on race, color, national origin, religion, age, sex, ancestry, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, veteran status, military discharge status, citizenship status or reprisal or retaliation for prior civil rights 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.

## APPLICATION EVALUATION

The Committee will use the following evaluation criteria to evaluate applications and proposed projects. The individual factors are important in project evaluation, as they are an indication of the degree to which the proposed project will contribute to the tourism in Richland County. Please ensure that you review these factors and include the elements in your application. These factors, with their corresponding point values, are:

**Project Design and Benefit to Community:** 55 points maximum

Benefit to Tourism (20) - Does the project promote tourism in the areas of the County in which Richland County H-Taxes are collected? Will it promote a positive image for the County? Will it attract visitors, build new audiences and encourage tourism expansion in the areas of the County in which Richland County H-Taxes are collected? Will it increase awareness of the County's amenities, history, facilities, and natural environment in the areas of the County in which Richland County H-Taxes are collected?

Reliable Tracking Mechanism and Marketing Plan (15) – How will visitors and tourists would be tracked? (surveys, wristbands, ticketing, and etc.) Are these methods viable? Does the marketing plan describe how the organization will reach tourists? Are at least 70% of the ads or other marketing expenses targeted outside the Columbia/Richland County area? Is the expected number of tourists in line with the organization's marketing plan?

Benefit to Community (10) - How will this project benefit the citizens of Richland County? Will the project benefit unincorporated Richland County? Who will attend the event? How many visitors will the event serve? A visitor is defined by someone who travels at least 50 miles to attend the event.

Community Support and Partnerships (10) - Does the project have broad-based community appeal or support? What is the evidence of need for this project in the County? What kind and degree of partnership does the project exhibit? Does it exhibit volunteer involvement or inter-jurisdictional, corporate, business, and/or civic support?

**Economic Impact and Accountability** 45 points maximum

Budget (5) – Are all expenses that are to be paid with H-Tax funds eligible expenses? Did the budget and justification provide enough detail to show how funds will be spent? Does the applicant provide 50% in cash or in-kind match?

Expected H-Tax Revenue Generated (15) - What are the projected direct and indirect dollar expenditures by visitors/tourists? What is the estimated number of meals consumed? Are any overnight stays anticipated? Will this program drive business to those businesses that collect and remit Richland County H-Tax in the unincorporated areas of the County as well as Eastover and Richland portions of Irmo?

Reasonable Cost/Benefit Ratio (15) - Does the benefit of the project (i.e. number of tourists estimated; expected revenue generated) exceed the cost of the project? Is this project "worth" its cost?

Management Capability (10) - Does the applicant organization demonstrate an ability to successfully complete the project through effective business practices in the areas of finance, administration, marketing, and production? If this organization has received County Hospitality Tax funding previously, was the project successful?

## APPLICATION PACKAGE

In order to be considered for funding, applicants must submit a **complete** application package for the H-Tax grant program. Paper applications will not be accepted. Incomplete applications will not be considered. Complete applications include:

1) Completed application form submitted online at:

<https://zoomgrants.com/gprop.asp?donorid=2236>

- Answer all questions and complete each section. "N/A" and "See Attached" are not valid responses.
- Electronic initials by board chair and the executive director - If your organization does not have an Executive Director, please note this in the application.

2) Project budget and narrative (form included in the application)

3) Required Attachments:

- **IRS determination letter** indicating the organization's 501 c 3 charitable status
- **Proof of current registration as a charity with the SC Secretary of State's Office.** Visit <https://www.sos.sc.gov/online-filings/charities-pfrs-and-raffles/charities> for more information.
- **Current list of Board of Directors**
- **Most recent 990 tax return or 990 post-card** (If you file a 990 post-card, please attach that along with a financial report showing current financial status.)
- **Current Richland County business license or Business License Assessment Survey Form** (if applicable, this form shows that a business license is not needed for your organization). Bottom portion of form must have been completed within the last year.
- **Organization W-9**

**Note:** You must submit one full 990 form (scheduled and attachments) with your application.

**Incomplete applications will not be evaluated by the Committee.** County Council approved a motion in May 2011 that stated that late and incomplete applications will not be sent to the grant committees for review. Please submit only the required elements of your application, any additional brochures and handouts will be discarded. Items not submitted with the online application will not be forwarded to the Committee by County staff.

**Grant cycle will open December 2, 2024 in ZoomGrants. Applications are due by 11:59 PM on February 2, 2025 in ZoomGrants** Emailed, faxed or hand-delivered applications **will not** be accepted. **Applications and attachments must be received by 11:59 PM in ZoomGrants or they will not be considered for funding by the Committee.**

## AWARD NOTIFICATION

The Grants Manager will notify all applicant organizations of the funding outcome in writing in June 2025. Awards will be available for reimbursement beginning July 1, 2025. Final reports for the previous fiscal years, if applicable, must be received prior to the deadline and reviewed before FY26 payments are released. Non-compliance in all reporting periods may disqualify applicants for future funding opportunities until an applicant is fully compliant.

## REPORTING REQUIREMENTS

Richland County requires grantees to complete a mid-year and/or a final report for H-Tax funds. Grantees are required to submit proof of grant expenditures (invoices and proof of payment).

Grantees are asked to report on attendance, room and meal numbers, event success or failure as well as the impact on Richland County, especially the unincorporated areas. Each grantee will receive a copy of or a link to the reporting documents with their award packet.

## GRANT ACKNOWLEDGEMENT

Grantees must acknowledge the receipt of H-Tax funding by including the Richland County Government logo, or by stating that funds were provided by Richland County Government Hospitality Tax Funds on all program/project advertising, marketing and promotional materials. Examples of this must be included in your final report.

## Freedom of Information Act NOTICE

Please be advised that all materials submitted for H-Tax grant funding are subject to disclosure based on the Freedom of Information Act (FOIA).

## CONTACT

Matiah Pough, Grants Manager, PO Box 192, Columbia, SC 29202, (803)576-5459 [Pough.Matiah@richlandcountysc.gov](mailto:Pough.Matiah@richlandcountysc.gov)