

OFFICE OF THE CONTROLLER

Tax Team Admissions Tax

February 2024



Purpose

Tax concepts are often challenging, and not always intuitive. While departments are not expected to be tax experts, there is an expectation that departments use available resources to become familiar with basic concepts and comply with any applicable requirements.

The purpose of this session is to provide guidance on the basics of admissions tax, illustrate applicable scenarios and examples, and provide references to various resources.





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Definitions and Basics



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Admissions Tax

A 5% admissions tax must be collected by all places of amusement when an admission fee has been charged. The tax should be calculated on paid admissions, which is the **gross** amount paid by the patron.

Admission types include, but are not limited to:

- bands, amusement rides, carnivals, promoters, sightseeing attractions, athletic events, fitness centers, theaters, museums.

From a University standpoint, this tax primarily applies to athletic events, shows/concerts, and exhibitions.



Admissions Tax Returns

The Controller's Office Tax Team is responsible for submitting a University state admissions tax return and remitting the associated tax payment to the SC Department of Revenue on a monthly basis. Filings must be submitted by the 20th day of the month following the tax period (e.g., January tax returns would be due by February 20th).

To aid in the completion of the return, departments are responsible for submitting an individual return to the Controller's Office Tax Team using a consistent format chosen by the department. This information **must** be submitted in a timely manner – by the 10th of every month. Any penalties incurred due to late submissions will be the responsibility of the department.

If a department identifies an error in a previously submitted tax return, the Controller's Office Tax Team should be notified immediately.



Recording Admissions Tax

Departments are responsible for recording admissions tax in PeopleSoft Finance. By the time the tax return is submitted to the Controller's Office Tax Team, the admissions tax liability should be recorded in the system under the proper 22- account (e.g., 22006 [Other Events Admissions Tax Payable], 22004 [Athletics Admission Tax Payable]).

When admissions payments are remitted to the state, the admissions tax liability account is cleared in the system for the amount of the payment. When departments fail to record the tax liability in the system, reconciliation issues result.



Retail License

SC DOR requires any person engaged in retail sales in South Carolina, including online sales, to obtain a retail license. Within the University, a separate retail license is required for each location.

A retail license is obtained through the completion of an Application for License to Operate a Place of Amusement ([Form L-514](#)). If a department thinks a license may be necessary based on its activities, the Controller's Office Tax Team should be promptly contacted. All applications must be completed and submitted by the Tax Team, not by departments.



Ticket Requirements

Tickets must be used to account for paid admissions unless the SCDOR has authorized or approved other methods of accounting for paid admissions.

All tickets must have the price of admission printed on them and must be sold for the price printed on the ticket. Unless separately stated on the tickets provided to the patrons, the admissions tax is considered to be included in the charge or enter or use a place of amusement.

Tickets stubs must be maintained during the three-year statute of limitations period, unless written permission is received from SCDOR to destroy ticket stubs for a particular period.



Admissions Tax Refunds

Starting in July 2023, as authorized by [Proviso 117.171](#), accredited colleges and universities are eligible to be refunded the admissions tax for athletic events held during July 1, 2023 – June 30, 2024. This election is made on the admission tax return by providing a required certification, which is filed by the Controller's Office Tax Team.

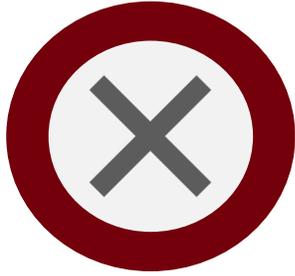


Exclusions

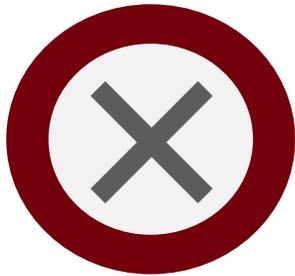


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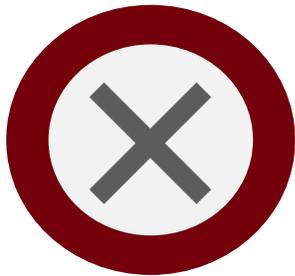
General Exclusions



Any amount separately stated on the ticket of admission for the repayment of money borrowed for the purpose of constructing an athletic stadium or field by any accredited college or university



Any amount of the charge for admission, whether or not separately stated, that is a fee or tax imposed by a political subdivision of the State



Other instances specified in SC Code of Laws [Section 12-21-240](#)

*Organizations may apply for exemption certificates prior to specific events through completion of Form L-2068.



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Scenarios



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Scenario 1:

A department collects admissions tax on the proceeds received from an art exhibition. It submits the associated state tax return and requests a refund of the admissions tax per Proviso 117.171.



Rationale: The admissions tax refunds specified in Proviso 117.171 only apply to athletic events. In addition, monthly state admission tax returns are to be filed by the Controller's Office Tax Team, not departments. Instead, departments should furnish the Tax Team with the appropriate information to facilitate the timely preparation and submission of the state return. Departments are only responsible for filing any tax returns associated with local tax authorities (e.g., City of Aiken).



Scenario 2:

At an event held by a department, admissions fees were collected from patrons through a combination of cash and credit payments. The aggregate total received from patrons, including all forms of payment, was used to calculate admissions tax.



Rationale: Admissions tax was correctly calculated based on the **gross** amount paid by patrons for admissions. The form of payment does not impact the tax applicability.



Training Resources and Contacts



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Office of the Controller Website

Our website was recently redesigned to provide a more user-friendly experience. Tax information can be found under the **Compliance and Tax Management** section:



Quick Links to Resources/References

- [SC DOR Admissions Tax Page](#)
- [Form L-514](#)
- [Proviso 117.171](#)
- [SC Code of Laws Section 12-21-2420](#)



Questions / Issues

If you have questions or experience any issues, please contact the Tax Team at tax@mailbox.sc.edu.

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THANK YOU!

Office of the Controller



Alone, we can do so little; together,
we can do so much.



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