

**APPENDIX A: BUSINESS LICENSE RATE SCHEDULE**

<b>RATE CLASS</b>	<b>INCOME: \$0 - \$2,000</b>	<b>INCOME OVER \$2,000</b>
	<b>BASE RATE</b>	<b>RATE PER \$1,000 OR FRACTION THEREOF</b>
1	\$25.00	\$2.00
2	\$30.00	\$2.10
3	\$35.00	\$2.20
4	\$40.00	\$2.30
5	\$45.00	\$2.40
6	\$50.00	\$2.50
7	\$55.00	\$2.60
8.1	\$35.00	\$2.20
8.2	Set by state statute	
8.3	MASC Telecommunications	
8.4	MASC Insurance	
8.51	\$12.50 + \$12.50 per machine	
8.52	\$12.50 + \$180.00 per machine	
8.6	\$75.00 plus \$5.00 -OR- \$12.50 per table	\$2.70
9.7	\$80.00	\$2.80

**NON-RESIDENT RATES**

Unless otherwise specifically provided, all taxes and rates shall be doubled for nonresidents and itinerants having no fixed principal place of business within the City of Tega Cay.

**DECLINING RATES**

Declining Rates apply in all Classes for gross income in excess of \$1,000,000, unless otherwise specifically provided for in this ordinance.

<b><u>Gross Income in \$ Millions</u></b>	<b><u>Percent of Class Rate for each additional \$1,000</u></b>
0 - 1	100%
1 - 2	90%
2 - 3	80%
3 - 4	70%
OVER 4	60%

**CLASS 8 RATES**

Each NAICS number designates a separate subclassification. The businesses in this section are treated as separate and individual subclasses due to provisions of state law, regulatory requirements, service burdens, tax equalization considerations, and other factors that are deemed sufficient to require individually determined rates. In accordance with state law, the Municipality also may provide for reasonable subclassifications for rates, described by an NAICS sector, subsector, or industry, that are based on particularized considerations as needed for economic stimulus or for the enhanced or disproportionate demands on municipal services or infrastructure.

Non-resident rates do not apply except where indicated.

**8.1 NAICS 230000 – Contractors, Construction, All Types [Non-resident rates apply].**

Resident rates, for contractors having a permanent place of business within the Municipality:

Minimum on first \$2,000 .....	\$ 35.00 PLUS
Each additional 1,000.....	\$ 2.20

Non-resident rates apply to contractors that do not have a permanent place of business within the Municipality. A trailer at the construction site or structure in which the contractor temporarily resides is not a permanent place of business under this ordinance.

No contractor shall be issued a business license until all state and municipal qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job. No deductions shall be made by a general or prime contractor for value of work performed by a sub-contractor.

No contractor shall be issued a business license until all performance and indemnity bonds required by the Building Code have been filed and approved. Zoning permits must be obtained when required by the Zoning Ordinance.

Each prime contractor shall file with the License Official a list of sub-contractors furnishing labor or materials for each project.

For licenses issued on a per-job basis, the total tax for the full amount of the contract shall be paid prior to commencement of work and shall entitle the contractor to complete the job without regard to the normal license expiration date. An amended report shall be filed for each new job and the appropriate additional license fee per \$1,000 of the contract amount shall be paid prior to commencement of new work. Only one base tax shall be paid in a license year. Licensees holding a per-job license shall file, by each April 30 during the continuation of the construction project, a statement of compliance, including but not limited to a revised estimate of the value of the contract. If any revised estimate of the final value of such project exceeds the amount for

which the business license was issued, the licensee shall be required to pay a license fee at the then-prevailing rate on the excess amount.

**8.2 NAICS 482 – Railroad Companies** (See S.C. Code § 12-23-210).

**8.3 NAICS 517311, 517312 – Telephone Companies.**

With respect to “retail telecommunications services” as defined in S. C. Code § 58-9-2200, the Municipality participates in a collections program administered by the Municipal Association of South Carolina. The Municipality has approved participation in the collections program by separate ordinance (the “Telecommunications Collections Ordinance”). The rates, terms, conditions, dates, penalties, appeals process, and other details of the business license applicable to retail telecommunications services are set forth in the Telecommunications Collections Ordinance.

**8.4 NAICS 5241 and 5242 – Insurance Companies and Brokers:**

Independent agents, brokers, and their employees are subject to a business license tax based on their natural class. With respect to insurers subject to license fees and taxes under Chapter 7 of Title 38 and to brokers under Chapter 45 of Title 38, the Municipality participates in a collections program administered by the Municipal Association of South Carolina. The Municipality has approved participation in the collections program by separate ordinance (the “Insurers and Brokers Collections Ordinance”). The rates, terms, conditions, dates, penalties, appeals process, and other details of the business license applicable to insurers and brokers are set forth in the Insurers and Brokers Collections Ordinance.

**8.51 NAICS 713120 – Amusement Machines, coin operated (except gambling).** Music machines, juke boxes, kiddy rides, video games, pin tables with levers, and other amusement machines with or without free play feature licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(1) and (A)(2) [Type I and Type II].

For operation of all machines (not on gross income), pursuant to S.C. Code §12-21-2746:

Per Machine .....	\$12.50 PLUS
Business license .....	\$12.50

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to §12-21-2728 are not subject to Subclass 8.51.

**8.52 NAICS 713290 – Amusement Machines, coin operated, non-payout.** Amusement machines of the non-payout type or in-line pin game licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(3) [Type III].

For operation of all machines (not on gross income), pursuant to S.C. Code §12-21-2720(B):

Per Machine ..... \$180.00 PLUS  
 Business license ..... \$12.50

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to §12-21-2728 are not subject to Subclass 8.52.

**8.6 NAICS 713990 – Billiard or Pool Rooms, all types.** (A) Pursuant to SC Code § 12-21-2746, license tax of \$5.00 per table measuring less than 3½ feet wide and 7 feet long, and \$12.50 per table longer than that; PLUS, (B) with respect to gross income from the entire business in addition to the tax authorized by state law for each table:

Minimum on first \$2,000 ..... \$75.00 PLUS  
 Per \$1,000, or fraction, over \$2,000 ..... \$2.70

**9.7 NAICS 722410 – Drinking Places, bars, lounges, cabarets** (Alcoholic beverages consumed on premises).

Minimum on first \$2,000 ..... \$80.00 PLUS  
 Per \$1,000, or fraction, over \$2,000 ..... \$2.80

License must be issued in the name of the individual who has been issued a State alcohol, beer or wine permit or license and will have actual control and management of the business.

**APPENDIX B**  
**2021 BUSINESS LICENSE CLASS SCHEDULE BY NAICS CODE**

<b>NAICS Sector/Subsector</b>	<b>Industry Sector</b>	<b>Class</b>
11	Agriculture, forestry, hunting and fishing	2
21	Mining	4
31	Manufacturing	2
32	Manufacturing	2
33	Manufacturing	2
42	Wholesale trade	1
44	Retail trade	1
45	Retail trade	1
48	Transportation and warehousing	2
49	Transportation and warehousing	2
51	Information	4
52	Finance and insurance	7
53	Real estate and rental and leasing	7
54	Professional, scientific, and technical services	5
55	Management of companies	7
56	Administrative and support and waste management	4
61	Educational services	4
62	Health care and social assistance	4
71	Arts, entertainment, and recreation	3
721	Accommodation	3
722	Food services and drinking places	1
81	Other services	5
<b>Class 8s</b>		
23	Construction	8.1
482	Rail Transportation	8.2
517311	Wired Telecommunications Carriers	8.3
517312	Wireless Telecommunications Carriers (except Satel	8.3
5241	Insurance Carriers	8.4
5242	Insurance Brokers for non-admitted Insurance Carrie	8.4
713120	Amusement Parks and Arcades	8.51
713290	Nonpayout Amusement Machines	8.52
713990	All Other Amusement and Recreational Industries ( pool tables)	8.6
<b>Class 9s</b>		
722410	Drinking Places (Alcoholic Beverages)	9.7

Note: Class Schedule is based on 2017 IRS data.