

CITY OF SENECA

ORDINANCE NO. 2023-27

AN ORDINANCE TO AMEND THE BUSINESS LICENSE ORDINANCE  
OF THE CITY OF SENECA TO UPDATE THE  
CLASS SCHEDULE AS REQUIRED BY ACT 176 OF 2020

WHEREAS, the City of Seneca (the "Municipality") is authorized by S.C. Code Section 5-7-30 and Title 6, Chapter 1, Article 3 to impose a business license tax on gross income;

WHEREAS, by Act No. 176 of 2020, known as the South Carolina Business License Tax Standardization Act and codified at S.C. Code Sections 6-1-400 to -420 (the "Standardization Act"), the South Carolina General Assembly imposed additional requirements and conditions on the administration of business license taxes;

WHEREAS, the Standardization Act requires that by December thirty-first of every odd year, each municipality levying a business license tax must adopt, by ordinance, the latest Standardized Business License Class Schedule as recommended by the Municipal Association of South Carolina (the "Association") and adopted by the Director of the Revenue and Fiscal Affairs Office;

WHEREAS, following the enactment of the Standardization Act, the Municipality enacted Ordinance No. 2023-27 on December 19, 2023, in order to comply with the requirements of the Standardization Act (the "Current Business License Ordinance");

WHEREAS, the City Council of the Municipality (the "Council") now wishes to amend the Current Business License Ordinance to adopt the latest Standardized Business License Class Schedule, as required by the Standardization Act, and to make other minor amendments as recommended by the Association;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Seneca as follows:

**SECTION 1. Amendments to Appendix A.** Appendix A to the Current Business License Ordinance, the "Business License Rate Schedule," is hereby amended as follows:

- (a) Class 8.3 is hereby amended by deleting the NAICS Codes and replacing them with NAICS 517111, 517112, 517122 – Telephone Companies.
- (b) Class 8.6 is hereby amended and restated in its entirety to read as follows: "**8.6 NAICS Code Varies – Billiard or Pool Tables**. A business that offers the use of billiard or pool tables shall be subject to business license taxation under its natural class for all gross income of the business excluding the gross income attributable to the billiard or pool tables. In addition, the billiard or pool tables shall require their own separate business licenses pursuant to SC Code § 12-21-2746 and shall be subject to a 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.”

- (c) The NAICS codes corresponding to Classes 9.41 and 9.42 have been eliminated. Businesses that were previously classified into 9.41 or 9.42 and that conduct business within the city limits of the City of Seneca four (4) or more times in a business license year, which runs May 1 to April 30, shall be required to apply and pay for a business license in their natural class. Businesses that were previously classified into 9.41 or 9.42 that conduct business within the city limits of the City of Seneca three (3) or fewer times in a business license year shall be required to comply with the provisions of Chapter 15, Article IV and shall be subject to the fee schedule as provided in Section 15-81 of the Code of Ordinances, City of Seneca, South Carolina.

**SECTION 2. Amendments to Appendix B.** Appendix B to the Current Business License Ordinance, the “Business License Class Schedule,” is hereby amended as follows:

- (a) Classes 1 through 8 in Appendix B to the Current Business License Ordinance, the “Business License Class Schedule,” are hereby amended and restated as set forth on the attached Exhibit A.
- (b) Class 9 in Appendix B to the Current Business License Ordinance, the “Business License Class Schedule,” shall remain in full force and effect as set forth in the Current Business License Ordinance.
- (c) The NAICS codes corresponding to Classes 9.41 and 9.42 have been eliminated. Businesses that were previously classified into 9.41 or 9.42 and that conduct business within the city limits of the City of Seneca four (4) or more times in a business license year, which runs May 1 to April 30, shall be required to apply and pay for a business license in their natural class. Businesses that were previously classified into 9.41 or 9.42 that conduct business within the city limits of the City of Seneca three (3) or fewer times in a business license year shall be required to comply with the provisions of Chapter 15, Article IV and shall be subject to the fee schedule as provided in Section 15-81 of the Code of Ordinances, City of Seneca, South Carolina.

**SECTION 3. Repealer, Effective Date.** All ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be effective with respect to the business license year beginning on May 1, 2024.

[SIGNATURE PAGE TO FOLLOW]

**Exhibit A: Amendment to Classes 1 – 8 in Appendix B of the  
Current Business License Ordinance**

**APPENDIX B**

**Classes 1 – 8: Business License Class Schedule by NAICS Codes**

| <b>NAICS<br/>Sector/Subsector</b> | <b>Industry Sector</b>   | <b>Class</b> |
|-----------------------------------|--|--------------|
| 11                                | Agriculture, forestry, hunting and fishing                               | 1            |
| 21                                | Mining   | 2            |
| 22                                | Utilities  | 1            |
| 31 - 33                           | Manufacturing  | 3            |
| 42                                | Wholesale trade  | 1            |
| 44 - 45                           | Retail trade   | 1            |
| 48 - 49                           | Transportation and warehousing   | 1            |
| 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 and remediation services | 3            |
| 61                                | Educational services   | 3            |
| 62                                | Health care and social assistance  | 4            |
| 71                                | Arts, entertainment, and recreation                                      | 3            |
| 721                               | Accommodation  | 1            |
| 722                               | Food services and drinking places  | 2            |
| 81                                | Other services   | 4            |
|                                   |  |              |
| <b>Class 8</b>                    | <b>Subclasses</b>  |              |
| 23                                | Construction   | 8.1          |
| 482                               | Rail Transportation  | 8.2          |
| 517111                            | Wired Telecommunications Carriers  | 8.3          |
| 517112                            | Wireless Telecommunications Carriers (except Satellite)                  | 8.3          |
| 517122                            | Agents for Wireless Telecommunications Services                          | 8.3          |
| 5241                              | Insurance Carriers   | 8.4          |
| 5242                              | Insurance Brokers for non-admitted Insurance Carriers                    | 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          |
|                                   |  |              |

*2023 Class Schedule is based on a three-year average (2017 - 2019) of IRS statistical data.*

PROPOSED ORDINANCE APPROVED AS TO FORM this 19<sup>th</sup> day of December, 2023.



R. Boatner Bowman, City Attorney

APPROVED AND RATIFIED on First Reading this 12<sup>th</sup> day of December, 2023 by a vote of

8 YES 0 NO 0 ABSTAIN

APPROVED, RATIFIED and ADOPTED on Second and Final Reading this 19<sup>th</sup> day of December, 2023 by a vote of

9 YES 0 NO 0 ABSTAIN



Dan Alexander, Mayor

ATTEST:



Kathy Wilkes, Municipal Clerk

(SEAL)