



# Beaufort County Local 3% Accommodations Tax and Local 2% Hospitality Tax Grants

FY26 Grant Cycle

# Resolution 2026/04

## What is it?

- Outlines the newly revised policies and procedures for processing applications for Beaufort County 3% Local Accommodations Tax Funds and 2% Hospitality Tax Funds.

## Why was it needed?

- There were two Resolutions on record related to the Beaufort County 3% Local Accommodations Tax Funds and 2% Hospitality Tax Funds. Resolution 2026/04 repealed Resolutions 2019/31 and 2024/54 with a simplified process that adheres to the **Beaufort County Code of Ordinances** for permitted use of Accommodations Tax and Hospitality Tax Funds.

# Beaufort County Code of Ordinances

Beaufort County receives revenues from a 3% local accommodations tax (A-Tax) imposed on tourist lodging as well as a 2% hospitality tax (H-Tax), which is imposed on the sale of prepared meals and beverages.

Per the County's Code of Ordinances (Sec. 66-44 for local A-Tax or Sec. 66-534 for H-Tax), these revenues must be used for **tourism-related purposes**.

The County has established a grant application process for the award and issuance of these funds to local organizations wishing to use an award for one or more of the purposes outlined in County Code.

# Beaufort County Code of Ordinances Section 66-44 permitted use of Accommodations Tax Funds

- 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, renourishment, or other tourism-related lands and water access.
- 4. Highways, roads, streets, bridges and boat ramps providing access to tourist destinations.
- 5. Advertisements and promotions related to tourism development.
- 6. Water and sewer infrastructure to serve tourism-related demand.
- 7. Development of workforce housing, which must include programs to promote home ownership. However, the county may not expend or dedicate more than 15 percent of its annual local accommodations tax revenue for the purposes set forth in this item. The provisions of this item are no longer effective after December 31, 2030.
- 8. The operation and maintenance of those items provided in 1 through 6 above, including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

# Beaufort County Code of Ordinances Section 66-534 permitted uses of Hospitality Tax Funds

- 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 renourishment.
- 4. Highways, roads, streets, bridges and boat ramps providing access to tourist destinations.
- 5. Advertisements and promotions related to tourism development.
- 6. Water and sewer infrastructure to serve tourism-related demand.
- 7. Control and repair of flooding and drainage within or on tourism-related lands or areas.
- 8. Site preparation for items 1 through 7 including, but not limited to demolition, repair, or construction.
- 9. The operation and maintenance of items 1 through 6 including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

# Application Process

- Applications are open to organizations in Beaufort County, including departments within Beaufort County.
- Applications will be accepted online only.
- Applicants must select the funding source to which they are applying – either Accommodations Tax Funds or Hospitality Tax Funds.
- Applicants can apply for both grant funding sources, but must complete a separate application for each.
- Organizations seeking to apply for both grant funding sources are encouraged to apply for different projects rather than applying to both grant funding sources for the same project.

# FY26 Grant Cycle

Application opens	March 1
Applications due	March 31
Awards announced	June

Grant awards must be expended within one year, except for construction projects which have a two-year project period.

# Application Components

## **SECTION 1: APPLICANT/ORGANIZATION INFORMATION**

1. Applicant/Organization Name:
2. Applicant/Organization Mailing Address:
3. Applicant/Organization Phone Number:
4. Point of Contact Regarding this Application Name:
5. Point of Contact Email:
6. Point of Contact Phone:
7. Are you the contact person for the organization?

# Application Components

## SECTION 2: GRANT REQUEST

1. Select which grant funding you are applying for:
  - Local 3% Accommodations Tax
    - Select the permitted use of funds your project will address.*
  - Local 2% Hospitality Tax
    - Select the permitted use of funds your project will address.*
2. Project Title:
3. Project Date(s):
4. Location of the Project/Event:
  - Check if your project will take place in unincorporated Beaufort County
5. Amount Requested: \$
6. Has your organization received Local A-Tax or H-Tax funds in the past 5 years?

# Application Components

## SECTION 3: PROJECT DESCRIPTION

1. What is the purpose of the funds requested? Be specific.
2. Provide a short description of how the funds requested will be used in compliance with the statutory mandates indicated in Section 2.
3. Describe how your project will benefit tourism in Beaufort County.
4. Describe the types of partnerships (i.e., volunteer involvement, business support, and/or civic support) that have been established for this project, including other funding sources.
5. Describe your organization's experience in implementing this or similar projects. Include information on project administration and fiscal/grant management.

# Application Components

## SECTION 4: REQUIRED ATTACHMENTS

### 1. Detailed Project Budget

- ✓ Must include line-item details (including projected revenues and anticipated expenditures). Identify other revenue sources being sought and the status of funds requested.

### 2. Detailed Marketing Plan

- ✓ Must include an outline of the marketing, advertising, and/or promotional plans for the proposed project, including methods for gathering visitor/participant data used to measure the impact of the project in attracting tourists, overnight stays, and/or food/beverage purchases.

### 3. Audited Financials, or Financial Statements, for the past two years

- ✓ Beaufort County Departments should include Year-to-Date Budget Reports from the past two fiscal years.

# Grant Review Process

“The Administrator or Administrator’s designee shall review the applications submitted and bring forward all applications, with supporting documents, to the Finance Committee along with staff recommendations regarding A-Tax/H-Tax funding requests. The Administrator or Administrator’s designee shall establish award review criteria with a scoring sheet for evaluating applications.”

# Grant Review Criteria

**100 possible points - 8 Factors for Review**

**1) Thoroughness of Application**

**0-10 points**

*All required forms and criteria are complete and submitted on time. Responses are clear and complete. Budget is complete. Required supporting documentation is provided.*

**2) Unincorporated/Incorporated Goal**

**10 points unincorporated, 0 points Incorporated**

*Does the project promote tourism in the areas of unincorporated Beaufort County where the accommodations and hospitality taxes are collected?*

# Grant Review Criteria

## **3) Benefit to Tourism**

**0-30 points**

*Will the project promote a positive image for Beaufort County?  
Will it attract visitors, build new audiences, and encourage  
tourism expansion in areas where the taxes are collected?  
Who is the intended audience of the project?*

## **4) Evidence of Partnerships**

**0-10 points**

*Will there be volunteer involvement, or interjurisdictional,  
corporate, business, and/or civic support for this project? Are  
there any other funding sources for the project?*

# Grant Review Criteria

## **5) Management Capability**

**0-10 points**

*Does the applicant demonstrate an ability to successfully complete the project as described? If this organization has received Local A/H-Tax funding previously was the project successfully completed (e.g., timely submission of required progress and financial reports, funds expended appropriately, and project completed on time and within budget)?*

# Grant Review Criteria

## **6) Reliable Tracking Mechanism**

**0-10 points**

*Does the applicant include or describe a mechanism to gather information on the visitor/tourist experience. How will the applicant track the number of visitors/tourists?*

## **7) Expected Revenue Generation**

**0-10 points**

*What are the projected direct and indirect expenditures by visitors/tourists? What is the estimated number of meals purchased and/or overnight stays?*

# Grant Review Criteria

## **8) Reasonable Cost/Benefit Ratio**

**0-10 points**

*What is the expected return on investment? Does the benefit of the project (number of tourists and expected revenue generated) exceed the cost of the project?*

**Additional Comments by Reviewers**

# Grant Recommendations

“Recommendations based on the award review criteria should be brought before Finance Committee as soon as is practicable during the 2nd quarter of each calendar year. Finance Committee shall consider the applications, the recommendations of staff, and vote to make award recommendations to County Council.”

“Council shall be presented with a resolution for the awarding of A-Tax or H-Tax funds in conformance with the recommendations of the Finance Committee. County Council may adopt, reject, or modify the recommendations of the Finance Committee.”

# Grant Awards

- Applicants will be notified by email and letter if their grant applications were recommended for funding.
  
- The Chief Financial Officer will determine if awards will be made in a single payment or periodic payments.
  
- For the FY26 Grant Cycle:**
  - External Organizations – 100% reimbursable
  - Beaufort County Departments – funds will be transferred into a designated grant account

# Grant Reporting

- Grantees are required to submit a **Grantee Progress Report** when requesting reimbursement for grant-related expenditures.
- Copies of detailed invoices and proof of payment for expenditures must be attached.
- Failure to provide adequate documentation of how grant funds were expended will result in delinquency and loss of funding, as well as ineligibility to apply for grant funding in the next grant cycle. Grant funds may only be used for the purposes stated in the grantee's award letter. No exceptions allowed.

# Grant Reporting – Final Report

- ❑ Once all grant funds have been reimbursed, grantees must complete a **Final Report** (Section C. of the Grantee Progress Report).
- ❑ **Marketing Efforts:** What marketing initiatives were executed to promote your project? Describe where your advertising ran and how often, where the event was promoted, social media campaigns, etc. Grantees should attach copies of the advertisements and/or promotional materials generated and used (e.g., screenshots from social media, clippings from newspapers/magazines, pamphlets).
- ❑ **Return on Investment/Tourism Impact:** Did your project result in the expected outcomes described in your grant application? What was the number of tourists estimated versus the actual number of tourists? What challenges or obstacles did you face and how do you plan to overcome them in the future?

# Resources

## [Beaufort County Website – Local Accommodations and Hospitality Tax Grants](#)

- Link to the Online Application
- Grant Applications Instructions
- Grant Review Scoring Criteria
- Grantee Progress Report

### **Contact:**

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