



**ESTIMATED VISITOR SHARE  
 OF SALES TAX REVENUE IN  
 BEAUFORT COUNTY**



Visitors to Beaufort County impact state tax revenues generated in the county both directly and indirectly. The direct impact of visitors on state tax revenues consists of sales and accommodations taxes paid by visitors. The indirect impact comes about by the economic impact that visitors have on the county. These impacts are explained and estimates are presented in the following.

**Direct Tax Impacts**

When visitors spend their income on taxable consumer goods, this generates sales tax revenue; additionally, when visitors lodge in Beaufort County, they pay state accommodations tax. For 2013, University of South Carolina Beaufort’s (USCB) Lowcountry and Resort Islands Tourism Institute (LRITI) estimated that the Town of Beaufort hosted 288,113 annual visitors, Bluffton 98,410, and Hilton Head Island 2.59 million for a total of over 2.97 million visitors to Beaufort County. These visitors have the effect of increasing tax revenue generated for the state without imposing a burden on residents of the county. The 2013 spending by visitors to Beaufort County was estimated from surveys administered to visitors by LRITI. These estimates are shown in the table below.

Taxable visitor spending totaled approximately \$711 million for a total of \$38.95 million in sales taxes paid by visitors. This amounts to approximately 28.4 percent of the \$137 million in total sales taxes collected in Beaufort County in 2013. Note that this is a somewhat conservative estimate of sales taxes paid by visitors due to taxable sales associated with other spending categories (for example cart rentals at golf courses) that cannot be separated out in the survey data.

In addition to sales taxes, visitors lodging in the county paid an estimated \$7.4 million in state accommodations taxes in 2013.

**Indirect Tax Impacts**

Visitor spending not only results in sales and accommodations tax revenues, but in revenues associated with other state taxes resulting from visitor spending “spillover” effects in the county’s economy. These include, among others, personal income taxes (\$13.8 million), corporate income taxes (\$935,800), and excise taxes (\$4.2 million), which includes fuel, tobacco, and alcohol taxes.

Indirect tax impacts added to visitors’ direct tax impact totaled approximately \$65.25 million in 2013. Again, this estimate is somewhat conservative for the reason listed above and also due to the non-inclusion of visitors camping on Hunting Island and second homeowners on Fripp Island, as these populations have not yet been sampled.

**Est. SC Sales Taxes Paid by Visitors, Beaufort County (2013)**

		Direct Spend (1000s)	Tax Rev. (1000s)
<b>HHI:</b>	Lodging (5%)	\$ 296,348	\$ 14,817
	Dining (6%)	\$ 163,826	\$ 9,830
	Shopping (6%)	\$ 118,088	\$ 7,085
<b>Bluffton:</b>	Lodging	\$ 18,351	\$ 918
	Dining	\$ 10,432	\$ 626
	Shopping	\$ 5,036	\$ 302
<b>Fripp:</b>	Lodging	\$ 28,991	\$ 1,450
	Dining	\$ 4,749	\$ 285
	Shopping	\$ 7,109	\$ 427
<b>Beaufort:</b>	Lodging	\$ 28,089	\$ 1,404
	Dining	\$ 17,443	\$ 1,047
	Shopping	\$ 12,685	\$ 761
<b>Sales Tax Total:</b>		<b>\$ 711,148</b>	<b>\$ 38,951</b>

<b>Plus Accommodations Tax:</b>	<b>\$ 46,387</b>
<b>Plus Income Tax:</b>	<b>\$ 60,140</b>
<b>Plus Corporate Income Tax:</b>	<b>\$ 61,076</b>
<b>Plus Excise Taxes:</b>	<b>\$ 65,251</b>