

**CITY COLLECTOR OF THE CITY OF CHARLESTON
CITY SERVICE FEE ADMINISTRATIVE REGULATIONS**

§ 1 Purpose and Effect.

These administrative regulations and the forms appended hereto are promulgated by the City Collector of the City of Charleston pursuant to §§ 6-208, 6-211 and 6-213 of Article X, Chapter 6 of the Code of the City of Charleston, all relating to administration of and compliance with the city service fee (the “Fee”). Unless the context otherwise requires, capitalized terms in these regulations shall have the same meaning as ascribed to those terms in Article X, Chapter 6 of the Code of the City of Charleston (the “Code”).

§ 2 Guidelines for Orderly Collection and Payment of Fee.

(a) *Effective Date.* The Fee accrues each calendar week during which an individual Employee or Self-Employed Person is Employed in Charleston. A calendar week begins each Sunday and runs through the next succeeding Saturday. The Fee is effective for all calendar weeks ending after January 1, 2004. No proration is allowed with respect to the week ending January 3, 2004, nor is proration allowed respecting any week during which an Employee or Self-Employed Person changes Employment status. The entire Fee is due if an individual is an Employee or Self-Employed Person to whom the Fee applies for any part of a calendar week ending after January 1, 2004.

(b) *Employer Withholding and Remittance.* For each individual who is an Employee to whom the Fee applies, that individual’s Employer shall withhold from that Employee’s paycheck the entire amount of the Fee. For an Employer that follows a regular payroll cycle other than on a weekly or bi-weekly basis, the Employer may elect to withhold and an Employee may pay a computed Fee based upon the Employer’s regular payroll cycle in accordance with the following: The computed Fee paid and withheld respecting a semi-monthly payroll cycle shall be \$2.16 for each Employee for each half-month, and the computed Fee paid and withheld respecting a monthly payroll cycle shall be \$4.33 for each Employee for each month. If the Employer elects to withhold a computed Fee in accordance with the preceding sentence with respect to a payroll cycle, then (i) the Employer shall withhold the computed Fee for all Employees subject to that payroll cycle; (ii) no proration shall be allowed with respect to any payroll period during which an Employee changes Employment status; (iii) the fee shall be effective for all

payroll periods ending on or after January 1, 2004; and (iv) the election shall not be revoked for any subsequent payroll periods without the written approval of the City Collector consenting to the revocation.

(c) *Prior Payment of Fee.* Notwithstanding anything herein to the contrary, an Employer who receives in good faith and retains a properly completed Prior Payment Form (in the form set forth in the appendix, Form CSF-1) from an Employee shall be relieved from withholding the Fee with respect to that Employee for periods ending on and after the Employer's receipt of the properly completed Prior Payment of Fee Form until the Form is no longer effective. The Form is not effective for any period the Employer has any reason to believe that the Employee's assertions on the Form are not at that time materially accurate or upon issuance of notice by the City Collector of disallowance of the Form.

(d) *Self-Employed Remittance with Employer Form.* If a Self-Employed Person to whom the Fee applies is a member or partner of an entity that is an Employer subject to the withholding requirements of Section 2(b) of these regulations and that Self-Employed Person is entitled to or otherwise regularly receives a periodic distribution or draw from the Employer, the Self-Employed person shall remit the Fee to the Employer as though the Self-Employed Person were an Employee and the Employer shall collect and remit the Fee from each such Self-Employed Person along with all amounts withheld from Employees in accordance with these regulations.

(e) *Failure to Withhold or Remit.* An Employer required to withhold the Fee that fails to withhold the Fee with respect to any period with respect to any Employee shall be personally liable for the Fee and all interest and penalties accrued thereon. An Employer that withholds the Fee with respect to any period with respect to any Employee that fails to remit the Fee to the City Collector when due shall be personally liable for the Fee and all interest and penalties accrued thereon. An Employer that receives the Fee from a Self-Employed Person in accordance with Section 2(d) and that fails to remit the Fee to the City Collector when due shall be personally liable for the Fee and all interest and penalties accrued thereon.

(f) *Self-Employed Persons; Remittance With Separate Form.* If a Self-Employed Person to whom the Fee applies for any reason fails to remit the Fee to an Employer in accordance with Section 2(d) of these regulations, then the Self-

Employed Person shall directly remit the Fee to the City Collector on or before the due date specified herein.

§ 3 Form to Accompany Remittance.

Each remittance to the City Collector shall be by a good check or warrant and shall be accompanied by a Remittance Form (in the appropriate form set forth in the appendix, Forms CSF-2 and CSF-3) respecting the applicable reporting period. A Remittance Form shall be fully completed and legible and shall be signed by the Employer or Self-Employed Person, as the case may be, where indicated. Failure to file a complete, legible and signed Remittance Form with a remittance renders a remittance materially incomplete and the remittance shall be deemed not to be made for purposes of § 6-210 of the Code (dealing with delinquent accounts) until the appropriate Remittance Form is duly filed.

§ 4 Reporting Period; Due Dates.

Each calendar quarter ending March 31, June 30, September 30 and December 31, respectively after January 1, 2004 shall constitute a separate reporting period. All Fees withheld and received by an Employer and all Fees accrued with respect to a Self-Employed Person, accompanied by the appropriate Remittance Form, during a reporting period shall be delivered to the City Collector no later than the last day of the month next succeeding close of the reporting period. A remittance and Remittance Form delivered by United States mail shall be deemed delivered on the date of the legible United States postmark on the envelope properly addressed to the City Collector with postage fully paid within which the remittance and Remittance form are enclosed. If the due date falls on a Saturday, Sunday or legal holiday in City, then the due date shall be the next day that is not a Saturday, Sunday or City legal holiday.

§ 5 Records and Worksheets.

Every Employer required to remit a Fee for a reporting period shall maintain each of the records set forth in this Section 5 and for three years after the Remittance Form is filed with respect to a particular reporting period. Upon request, the Employer shall promptly provide copies of these records to the City Collector or make the records available for reasonable inspection at an accessible location within the City.

(a) *Worksheet.* Every Employer shall complete, retain and make readily available a separate worksheet (in the form specified in the appendix, Form CSF-4) with respect to each reporting period signed by the Employer or the individual authorized by the Employer preparing the worksheet that corresponds to the Remittance Form filed with respect to the reporting period.

(b) *Prior Payment Form.* Every Employer shall retain and make readily available a separate and fully executed Prior Payment Form with respect to each Employee if such Prior Payment Form affects the amount remitted during the reporting period, together with any evidence from the Employee respecting the continued validity of the Form and any notice of the City Collector relating to a disallowance of any such Prior Payment Form.

(c) *Employee Information.* Each Employer shall compile and retain the following information with respect to each Employee Employed by the Employer during the reporting period: the name, hire date, termination date (if appropriate), address, identification number of each Employee subject to the Fee during the reporting period.

§ 6 Refund Claims.

All refund claims shall be on the Refund Claim Form (in the form set forth in the appendix, Form CSF-5). The claim must be filed within 30 days after the fee is paid over to the City Collector by the Employer. However, if the Employer remits the fee prior to the due date, then the claim must be filed no later than 30 days after the due date of the remittance. The time period for filing refund claims is strictly enforced and cannot be waived. A complete and signed Refund Claim Form delivered by United States mail shall be deemed delivered on the date of the legible United States postmark on the envelope properly addressed to the City Collector with postage fully paid within which the Refund Claim Form are enclosed. If the due date falls on a Saturday, Sunday or legal holiday in City, then the due date shall be the next day that is not a Saturday, Sunday or City legal holiday.

§ 7 Additional Guidance.

The following examples, in a question and answer format, provide additional guidance :

(a) *Vacation, Business Travel, Paid Leave.*

APPENDIX

FORMS

<i>Number</i>	<i>Title</i>
CSF-1	Prior Payment Form
CSF-2	Employer Remittance Form
CSF-3	Self-Employed Remittance Form
CSF-4	Employer Worksheet
CSF-5	Refund Claim Form