



## CITY OF SENECA

P.O. Box 4773  
221 East North First Street  
Seneca, South Carolina 29679  
(864)885-2700 / Fax: (864)885-2701  
www.Seneca.SC.US

### Council Members

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January 11, 2022

Dear Business Owner:

Act 176, passed by the State Legislature in 2020, mandates a standard license year for all businesses in South Carolina from May 1 to April 30. For your 2022 business license renewal, business owners will have until April 30, 2022 to renew the license without penalty. Business licenses renewed May 1, 2022 or after will incur a 5% penalty and an additional 5% per month until the license is renewed.

Act 176 established the Local Business License Renewal Center, an online payment portal where businesses can register and renew all of their local business license online and all at one time. The online renewal portal will open January 1, 2022. [Visit localblrenewal.com to register.](http://localblrenewal.com)

Below you will find background information on Act 176. For many years, businesses raised concerns with legislators about the inconsistencies and complicated processes found around the state among the local governments that collect business license taxes. Legislators came together with the business community and the Municipal Association of SC to remedy these issues.

This process led to the General Assembly passing the SC Business License Standardization Act, Act 176, in September 2020. Act 176 streamlines the business license process, creating the same process for taxing jurisdictions across the state. As of January 1, 2022, all municipalities in South Carolina with a local business license ordinance must comply with the law.

Details of Act 176:

- Standard due date: April 30
- Standard license year: May 1 – April 30
- Gross income is based on the prior calendar year or business fiscal year
- All business will be listed in the class schedule according to their North American Industry Classification System Code, also referred to as NAICS Code
- Standard Class Schedule as approved by the SC RFA

If you have questions regarding your business license, you may contact us at 864-885-2700.

Sincerely,

City of Seneca Business License Office

*The following includes important information about the renewal of your City of Seneca Business License – Please read carefully.*

**HOW TO AVOID PAYING PENALTIES**

The City of Seneca’s 2021 business licenses will expire on April 30th. To avoid paying penalties, please pay **before April 30th**. Penalties will be applied on May 1<sup>st</sup> for any unpaid business license fees.

**PLEASE NOTE: BUSINESS LICENSE RATE CHANGES FOR SOME BUSINESSES**

The City of Seneca uses the North American Industry Classification System (NAICS) to classify all businesses. Rate changes are made to some businesses based on their NAICS classification. Those changes will be reflected on your renewal application. You may also check your NAICS code on the US Census Bureau website: <http://www.census.gov/eos/www/naics/>. The City of Seneca uses the 2017 edition.

**CALCULATION OF GROSS RECEIPTS**

When calculating your gross receipts, please *round gross receipts up to next thousand* before calculating your business license fee. Ex: if your gross receipts are \$41,329, round up to \$42,000 before calculating the business license fee.

Declining rates apply in all classes for gross income in excess of \$1,000,000, unless otherwise specifically provided for in this ordinance. **Please call for assistance in calculating gross receipts over \$1 (one) million.**

**PAID BUSINESS LICENSE TO ANOTHER CITY/TOWN**

REMINDER: If you paid a business license to another City/Town, you may deduct those gross receipts from the City of Seneca business license. Please provide documentation of the breakdown of gross receipts paid to another City/Town.

**PROOF OF GROSS RECEIPTS**

The City of Seneca requires “in city limits” businesses to submit proof of gross receipts with the renewal application for a business license.

The following are examples of proof of gross receipts: (Please note that additional information may be required).

- copy of your “Federal Tax Return” (Schedule C Form 1040, Form 1065, Form 1120, or Form 1120S)-front page only of the business return
- a certified letter from an independent accounting firm
- an independent accounting firm may sign and stamp your application

***The City of Seneca realizes that a businesses’ financial information is confidential. It is the City’s policy to keep all financial information on all business licenses confidential as well.***

**If you have any questions, please contact the Finance Office (see below):**

Ann Beatty, Administrative Assistant      Phone: 864-885-2700      email: [abeatty@seneca.sc.us](mailto:abeatty@seneca.sc.us)  
Crystal Matheson, Finance Specialist      Phone: 864-885-2741      email: [cjames@seneca.sc.us](mailto:cjames@seneca.sc.us)

**Mailing Address: City of Seneca, attn: Finance Office, P O Box 4773, Seneca, SC 29679**

**City Hall Physical Address: 221 E N 1<sup>st</sup> St, Seneca, SC 29678**

**Fax: 864-885-2701**

**City Hall Hours: Monday – Friday 8:00 am – 5:00 pm**