

CITY SERVICE FEE FREQUENTLY ASKED QUESTIONS (FAQ'S)

Q. WHO IS REQUIRED TO FILE?

A. All full-time and part-time employees who regularly report to work at a physical location, or work from home within the City of Charleston. Employers will deduct the fee from their employees pay, and remit it on their behalf. Self-employed individuals will remit the fee on their own.

Q. WHEN ARE CSF RETURNS DUE?

A. CSF returns are due within one month following the end of the taxable quarter. Quarterly payments are due in April, July, October and January. Penalty and interest will be applied against any return that is received after these months.

Q. WHAT ARE THE INTEREST AND PENALTY RATES?

A. The tax, if not paid when due, shall bear interest at the rate of 8% per annum from the date the return is due. The penalty shall be 5% for the first month, or fraction thereof, and 2% of the fee for each succeeding month or fraction thereof.

Q. MY EMPLOYEES ARE NOT PAID WEEKLY. HOW DO I CALCULATE THE CSF AMOUNT(S) TO WITHHOLD FROM THEIR PAY?

A. Please refer to the [Employer Worksheet](#) (CSF-4) to determine the amount(s) to withhold based on a weekly, bi-weekly, monthly, or bi-monthly pay.

Q. WHAT IF I WORK TWO JOBS WITHIN THE CITY? DO I HAVE TO PAY THE FEE TWICE?

A. No. Simply complete a [CSF-1 Prior Payment Form](#) and give it to your second employer. Once this form is received by your second employer, they are no longer required to withhold the fee.

Q. ARE NON-PROFIT ENTITIES, RELIGIOUS ORGANIZATIONS, OR OTHER BUSINESSES THAT ARE EXEMPT FROM BUSINESS & OCCUPATION TAX REQUIRED TO DEDUCT THE FEE FROM THEIR EMPLOYEES?

A. Yes. All businesses and self-employed individuals working in the City of Charleston are required to withhold and remit the fee.

Q. RATHER THAN DEDUCTING THE FEE FROM MY PAY, CAN MY EMPLOYER PAY THE FEE FOR ME?

A. There is no provision in Chapter 6, Article II of the Code of the City of Charleston prohibiting your employer from paying the fee for you; however, it may be considered taxable income for federal and state tax purposes. Employers should consult their tax advisor for more information.

Q. CAN I GET A REFUND IF MY EMPLOYER DEDUCTED THE FEE IN ERROR?

A. Yes. If your employer has withheld the CSF, but has not yet remitted the fee for the particular quarter, you will need to request the refund from your employer. If your employer has already remitted the fee for the particular quarter, simply complete a [CSF-5 Refund Claim Form](#) and remit it to the Office of City Collector. This form must be received by our office within thirty (30) days following the receipt of payment from your employer. Otherwise, you will have to seek a refund from your employer.

Q. CAN I PAY THE FEE YEARLY?

A. No. Unfortunately, our tax, fee, and revenue system will not permit us to handle annual payments of the fee at this time.

Q. ARE THERE A MINIMUM NUMBER OF HOURS YOU HAVE TO WORK IN ORDER TO BE REQUIRED TO PAY THE FEE?

A. No. All part-time employees are required to pay the fee.

Q. DOES AN EMPLOYEE HAVE TO PAY THE FEE IF THEY ARE ON PAID LEAVE, VACATION, PAID SICK LEAVE, PAID LEAVE OF ANY KIND, OR OUT OF TOWN ON BUSINESS?

A. Yes. The fee continues to apply with respect to an employee who, prior to the paid out of office time, was responsible for the fee.

Q. CAN I USE MY CREDIT OR DEBIT CARD TO PAY THE FEE?

A. No. Currently, the payment options accepted by the City are check and cash. We are looking at the possibility of adding other payment options in the near future, including credit and debit cards, as well as on-line payments.