LICENSEDRENTAL.COM

Folly Beach vacation rental checklist

Charleston County, South Carolina | Rules checked November 6, 2026

Scan for the latest version

Folly Beach issues new investor rental licenses only through its wait list, under an 800-license cap. A judge struck the cap down in August 2026; the city has appealed and stopped issuing new licenses until 2027 or the end of its rental study. Owner-occupied homes (4% ratio) can still get a license for up to 72 rental days a year. Stays pay 14% tax.

> The cap is in court. In March 2026 a state appeals court upheld the 800-license cap as a business license rule. Then on August 14, 2026, a circuit judge struck down both the voter-approved cap and the registration fee, finding the referendum improper and the fee an unlawful tax. The city appealed. Check with the city before you buy or apply.

> Licenses never transfer to a new owner, and a property must be rented at least 28 days a year to keep its license.

Licensing steps

STATE OF SOUTH CAROLINA

- [ ] **Get a retail license for direct bookings**
  If you take bookings yourself, you need a SCDOR retail license for each rental property and must file and pay electronically through MyDORWAY. If you rent only through a property manager or an online travel company that takes the payment, they remit the state tax and you don't need a license. Rent no more than one week a quarter and you can file once a year instead.
  MyDORWAY: https://mydorway.dor.sc.gov/

- [ ] **Know what the platform collects**
  Airbnb collects the 5% sales tax, 2% accommodations tax, and the local sales taxes the state collects, on its bookings. It also collects some county and city accommodations taxes, but only in the places it lists. Everything else is yours to file.

- [ ] **Register for local taxes**
  Many counties and cities charge their own accommodations tax (up to 3%), a hospitality tax, or a beach preservation fee. They collect these directly, so you register with the county or city even if a platform pays your state tax.

- [ ] **Check your property tax rate**
  A home that is your legal residence keeps the 4% assessment ratio only if it is rented out 72 days or less a year. Rent it more and it is taxed as a 6% rental property. Ask your county assessor.

- [ ] **Then your county and city**
  Business licenses, rental permits, and zoning are where South Carolina towns differ most. Pick your area.

CHARLESTON COUNTY, SOUTH CAROLINA

- [ ] **Open a county accommodations account**
  Apply online with Charleston County Revenue Collections for a local accommodations tax account. The county collects its own 2% fee and the town fees for eight towns. Monthly returns are due the 20th; small accounts can file quarterly or yearly.
  County accommodations tax application:
  https://www.charlestoncounty.gov/departments/revenue-collections/local-accommodations-tax-application.php

- [ ] **Check what your platform pays**
  Charleston County says VRBO remits the county and city accommodations fees everywhere in the county, and Airbnb only in unincorporated areas, Charleston, North Charleston, Mount Pleasant, Folly Beach, and Isle of Palms. Even when a platform pays, you must still report your monthly gross receipts to the county.

- [ ] **Then your city or area**
  Permits, owner-occupancy rules, and caps differ in every town. Pick your area.

CITY OF FOLLY BEACH

- [ ] **Check which license you qualify for**
  An owner-occupied license needs the 4% legal residence ratio and limits you to 72 rental days a year. An investor license for a 6% property can only be renewed, inherited, or offered from the wait list. Buyers of an existing rental can get a 90-day provisional license to honor bookings under the Vacation Rental Act.

- [ ] **License and register every year**
  Renew the business license through the city by April 30, using the Charleston County business license form. Then complete the rental registration online by June 1. Bring proof of ownership and bedroom count, proof of last year's accommodations tax payments, proof of 28 rented nights, your last septic inspection date, and last year's gross revenue.
  Folly Beach short-term rentals: https://cityoffollybeach.com/short-term-rental

- [ ] **Register for state and local taxes**
  The state-collected tax on stays here is 10% (state sales and accommodations tax plus local sales taxes). Airbnb collects it on its bookings; for direct bookings, get a SCDOR retail license and file through MyDORWAY. Charleston County collects the 2% county fee and the city's 2%; Airbnb remits both on its bookings, but you still report monthly to the county.

Who to contact

City Hall: 843-588-2447

Official sources

South Carolina Department of Revenue: Accommodations tax. https://dor.sc.gov/tax/accommodations

Airbnb: Collection and remittance by Airbnb in South Carolina. https://www.airbnb.com/help/article/2328

South Carolina Department of Revenue: Revenue Ruling #15-4: vacation rentals of a residence-
. https://dor.sc.gov/resources-site/lawandpolicy/Advisory%20Opinions/RR15-4.pdf

Charleston County Revenue Collections: Local Accommodations Tax Application-
. https://www.charlestoncounty.gov/departments/revenue-collections/local-accommodations-tax-application.php

Charleston County Revenue Collections: Charleston County Local Accommodation Tax FAQ-
. https://www.charlestoncounty.gov/departments/revenue-collections/files/ATAX-QA.pdf

City of Folly Beach: Short-term rentals. https://cityoffollybeach.com/short-term-rental

Live 5 News: Folly Beach council approves moratorium on issuing short-term rental licenses (August 26, 2026)-
. https://www.live5news.com/2026/08/26/folly-beach-council-approves-moratorium-issuing-short-term-rental-licenses/

Live 5 News: Judge rules Folly Beach short-term rental cap illegal under state law (August 17, 2026)-
. https://www.live5news.com/2026/08/17/judge-rules-folly-beach-short-term-rental-cap-illegal-under-state-law/

ABC News 4: Folly Beach keeps 800 short-term rental permit cap after court upholds policy (March 4, 2026)-
. https://abcnews4.com/news/beach-information/folly-beach/folly-beach-keeps-800-short-term-rental-permit-cap-after-court-upholds-policy