

Amusement Tax FAQs

1. Does the Amusement Tax apply to cooking lessons?
No, per 7C
2. Does the Amusement Tax apply to paint lessons?
No, per 7C
3. Does the Amusement Tax apply to yoga lessons?
No, per 7C
4. Does the Amusement Tax apply to murder mystery dinners?
Yes, per 2B
5. Does the Amusement Tax apply to movie theater tickets?
Yes, per 2B
6. Does the Amusement Tax apply to parking fees (if related to admission)?
Yes, per 2A & B
7. Does the Amusement Tax apply to not-for-profit organizations?
Depends.
 Per 7A, it does not apply to any amusements presented by a church or veteran's organization that has its principal business within the City;
 Per 7B, it does not apply to amusements presented by public or private school; and,
 Per 7E, it does not apply to any not-for-profit organization that has received federal tax exempt status pursuant to the Internal Revenue Code 26 USC Section 501(c). Notwithstanding the foregoing, it does apply to not-for-profits if the entity is hosting an amusement in a City-owned building.
8. Does the Amusement Tax apply to cover charge at a bar for an amusement?
Yes, per 2A & B
9. Does the Amusement Tax apply to an admission fee for a hypnotist or magician?
Yes, per 2A & B
10. If tickets are sold for an event outside of Effingham City limits but the point of sale is inside Effingham City limits, does the Amusement Tax apply?
Yes, per 4-1
11. Does the Amusement Tax License need to be displayed at your business?
Yes, per 3I
12. Are all funds being produced by the Amusement Tax going into the Hotel-Motel fund?

Yes, per 5A

13. How much is the Amusement Tax license and when is it due?

\$100 each year. Due by January 31st, per 3C&D

14. If a business operates within the corporate City limits and provides amusements, are they required to fill out a monthly return?

Yes, per 5A

15. Is there a penalty if I don't fill out the return on time, even if they didn't have an amusement that month? What is that penalty?

Yes, per 5C. \$100 penalty or 5% of the Amusement Tax that the person is required to collect and remit to the City.

16. When is the Amusement Tax due for Effingham businesses?

The return is due on or before the 20th day of the calendar month succeeding the end of the monthly filing period (return for January is due by February 20th) per 5A.

17. Does the Amusement Tax apply to downtown events?

Based upon whether tickets are sold and the event is exempt per Section 7.

18. Does the Amusement Tax apply to amusements at Lake Sara?

If the point of sale for tickets is inside the City limits, yes. If not, no.

19. Does the Amusement Tax apply to tradeshows like the Home Show?

No, per 7G

20. Does the Amusement Tax apply to golf club memberships?

No, per 7C

21. Does the Amusement Tax apply to High School games?

No, per 7B

22. Does the Amusement Tax apply to the Fourth of July Celebration?

No, per 7E

23. If your business is not from Effingham and you put on a carnival or circus in Effingham City limits, does the Amusement Tax apply?

Yes, per 2B & 5B

24. Is there an exemption for amusements with small groups?

No

25. Does the Amusement Tax apply to 5K runs?

No, per 7D

26. What will the Amusement Tax be used for?

To support events/activities throughout the corporate city limits