

By: Senator(s) Smith

To: Local and Private

SENATE BILL NO. 3229
(As Passed the Senate)

1 AN ACT TO AUTHORIZE THE GOVERNING BODY OF THE CITY OF MAGEE,
2 MISSISSIPPI TO LEVY A SPECIAL TAX ON THE GROSS PROCEEDS OF SALES
3 OF HOTELS AND MOTELS AND ON THE GROSS PROCEEDS OF SALES OF
4 RESTAURANTS DERIVED FROM THE SALE OF PREPARED FOODS TO FUND THE
5 ESTABLISHMENT AND CONSTRUCTION OF A SPORTS COMPLEX; AND FOR
6 RELATED PURPOSES. BE IT ENACTED BY THE LEGISLATURE OF THE STATE
7 OF MISSISSIPPI:

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SECTION 1. As used in this act, the following words shall
10 have the meanings ascribed to them in this section unless
11 otherwise clearly indicated by the context in which they are used:

12 (a) "City" means the City of Magee, Mississippi.

13 (b) "Governing body" means the Mayor and Board of
14 Aldermen of Magee, Mississippi.

15 (c) "Hotel" or "motel" means any establishment engaged
16 in the business of furnishing or providing rooms intended or
17 designed for dwelling, lodging or sleeping purposes to transient
18 guests and which are known in the trade as such, where the
19 establishment consists of five (5) or more guest rooms. The term
20 "hotel" or "motel" does not include any hospital, convalescent or
21 nursing home or sanitarium, or any hotel-like facility operated by
22 or in connection with a hospital or medical clinic providing rooms
23 exclusively for patients and their families.

24 (d) "Project" means the establishment and construction
25 of a sports complex and related appurtenances within the corporate
26 limits of the city, and shall include, but not be limited to, the
27 purchase of property for such purposes; construction of and/or
28 improvements to baseball, softball fields and tennis courts;
29 architect, engineering and legal fees associated with the project;

30 road construction for access to facilities; parking areas;
31 utilities; restroom facilities; bleachers or other seating for
32 baseball fields and softball fields; and scoreboards.

33 (e) "Restaurant" means and includes all places within
34 the city where prepared foods and beverages are sold for
35 consumption whether such food is consumed on the premises or not.

36 "Restaurant" as defined herein does not include any school,
37 hospital, convalescent or nursing home, or any restaurant-like
38 facility operated by or in connection with a school, hospital,
39 medical clinic, convalescent or nursing home, or prison facility
40 providing food for students, patients, inmates, visitors and their
41 families.

42 SECTION 2. In addition to the powers and authority granted
43 under this act, the governing body shall have jurisdiction and
44 authority over all matters relating to the promotion,
45 establishment, development, construction, furnishing and equipping
46 of the project, including the authority to enter into such
47 contracts and agreements as may be necessary to carry out the
48 intent of this act. In carrying out the provisions of this act,
49 the governing body shall adhere to the provisions of the public
50 purchasing laws, public works contracts laws and public bid laws
51 as provided by the laws of the State of Mississippi, except as may
52 be expressly otherwise provided for herein.

53 The governing body is further authorized to receive and
54 expend, subject to the provisions of this act, revenues from any
55 source for the purposes enumerated herein.

56 SECTION 3. (1) For the purpose of providing funds for the
57 establishment, development, construction, furnishing, equipping
58 and erection of the project, there is hereby levied, assessed and
59 shall be collected from every person engaging in or doing business
60 in the city, as provided in subsection (2) of this section, a tax
61 which may be cited as the "recreation facilities tax," which shall
62 be in addition to all other taxes now imposed.

63 (2) Such tax shall be in an amount not to exceed one percent
64 (1%) of the gross proceeds of sales of hotels and motels, and not
65 to exceed one percent (1%) of the gross proceeds of sales of
66 restaurants derived from the sale of prepared foods.

67 (3) Persons, firms and corporations liable for the tax
68 imposed herein shall add the amount of tax to the sales price of
69 or gross proceeds of sales from the goods, products and services
70 subject to the tax and, in addition thereto, shall collect insofar
71 as practicable the amount of the tax due by them from the person
72 receiving the services or goods at the time of payment therefor.

73 (4) Such tax shall be collected as set forth in subsection
74 (3) above and paid to the State Tax Commission in the same manner
75 that state sales taxes are computed, collected and paid; and the
76 full enforcement provisions of Chapter 65, Title 27, Mississippi
77 Code of 1972, shall apply as necessary to the implementation and
78 administration of this act.

79 (5) The proceeds of such tax, less three percent (3%) to be
80 retained by the State Tax Commission to defray the costs of
81 collection, shall be paid to the city on or before the fifteenth
82 day of the month following the month in which they were collected.

83 (6) The proceeds of the tax shall not be considered by the
84 city as general fund revenues but shall be dedicated solely for
85 the purpose of carrying out the project.

86 (7) Not more than two (2) months following the time that (a)
87 the project has been completed, and (b)(i) either all principal,
88 interest, costs and other expenses for all bonds, notes or other
89 borrowings issued or made to fund the project have been paid and
90 are completely satisfied, or (ii) there exists in any special
91 account established to retire such bonds, notes or other
92 borrowings an amount on deposit which, together with any earnings
93 on investments to accrue to the account, is equal to or greater
94 than the amount necessary to pay such indebtedness, then the city
95 shall discontinue the tax.

96 SECTION 4. (1) Before the taxes authorized by this act
97 shall be imposed, the governing body of the city shall adopt a
98 resolution as follows:

99 (a) Declaring its intention to levy the tax, setting

100 forth the amount of such tax; and

101 (b) Setting the date for the election required by
102 subsection (2) of this act.

103 The resolution shall be published in a local newspaper at
104 least three (3) times over three (3) consecutive weeks, with the
105 last publication made no less than seven (7) days prior to the
106 date set forth in the resolution for the election.

107 (2) The tax levy authorized herein shall not be made unless
108 authorized by a majority of the votes cast at an election to be
109 called and held for that purpose. Notice of such election shall
110 be given, the election shall be held and the result thereof
111 determined, as far as is practicable, in the same manner as other
112 elections are held in the municipality. At such election, all
113 qualified electors of the municipality may vote. The ballots used
114 at such election shall have printed thereon a brief description of
115 the sales tax, the amount of the sales tax levy, a description of
116 the specific transportation infrastructure projects and/or other
117 capital projects that the tax revenue may be used and expended to
118 construct and the words "FOR THE LOCAL SALES TAX" and "AGAINST THE
119 LOCAL SALES TAX" and the voter shall vote by placing a cross (X)
120 or check mark () opposite his choice on the proposition. When
121 the results of the election have been canvassed by the election
122 commissioners of the municipality and certified by them to the
123 governing authorities, it shall be the duty of such governing
124 authorities to determine and adjudicate whether or not a majority
125 of the qualified electors who voted in such election voted against
126 the tax. If an election results in favor of the levy, the
127 governing authorities shall adopt a resolution declaring the levy
128 and collection of the tax provided in this act and shall set the
129 first day of the second month following the date of such adoption
130 as the effective date of the tax levy. A certified copy of this
131 resolution together with the result of the election shall be
132 furnished the State Tax Commission not less than thirty (30) days

133 prior to the effective date of the levy.

134 SECTION 5. Accounting for receipts and expenditures of the
135 funds herein described shall be made separate from the accounting
136 of receipts and expenditures of the general fund and any other
137 funds of the city. The records reflecting the receipts and
138 expenditures of the funds prescribed herein shall be audited
139 annually as a part of the annual audit of the city or by
140 independent audit if so determined by the governing body. Such
141 audit shall be made and completed as soon as practicable after the
142 close of the fiscal year, and expenses of such audit may be paid
143 from the funds derived pursuant to Section 3 of this act.

144 SECTION 6. The governing body of the city is further
145 authorized and empowered to adopt any and all lawful resolutions,
146 orders or ordinances; execute and deliver such agreements,
147 contracts, indentures and certificates; and do and perform any and
148 all other acts and things necessary and requisite to levy the tax
149 and carry out the purposes of this act.

150 SECTION 7. The governing authorities of the City of Magee,
151 Mississippi, shall submit this act, immediately upon approval by
152 the Governor, or upon approval by the Legislature subsequent to a
153 veto, to the Attorney General of the United States or to the
154 United States District Court for the District of Columbia in
155 accordance with the provisions of the Voting Rights Act of 1965,
156 as amended and extended.

157 SECTION 8. This act shall take effect and be in force from
158 and after the date it is effectuated under Section 5 of the Voting
159 Rights Act of 1965, as amended and extended.