

By: Chism, Smith (39th), Harrison

To: Local and Private
Legislation; Ways and
Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1713

1 AN ACT TO AMEND CHAPTER 870, LOCAL AND PRIVATE LAWS OF 1986,
2 AS AMENDED BY CHAPTER 958, LOCAL AND PRIVATE LAWS OF 1997, TO
3 REVISE THE DISTRIBUTION OF PROCEEDS FROM SALES TAXES LEVIED BY THE
4 MAYOR AND CITY COUNCIL OF THE CITY OF COLUMBUS, MISSISSIPPI, AND
5 THE BOARD OF SUPERVISORS OF LOWNDES COUNTY, MISSISSIPPI, ON RETAIL
6 SALES OF BEER, ALCOHOLIC BEVERAGES AND PREPARED FOOD; TO PHASE OUT
7 THE DISTRIBUTION TO THE MISSISSIPPI UNIVERSITY FOR WOMEN; AND FOR
8 RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 SECTION 1. Chapter 870, Local and Private Laws of 1986, as
11 amended by Chapter 958, Local and Private Laws of 1997, is amended
12 as follows:

13 Section 1. Whenever used in this act, unless a different
14 meaning clearly appears in the context, the following terms shall
15 have the following meanings:

16 (a) "City" means the City of Columbus, Mississippi.

17 (b) "County" means Lowndes County, Mississippi.

18 (c) "Governing authorities" means the Mayor and City
19 Council of the City of Columbus, Mississippi, and the Board of
20 Supervisors of Lowndes County, Mississippi.

21 (d) "Prepared food" means food prepared on the premises
22 of a restaurant.

23 (e) "Restaurant" means any place where prepared food is
24 sold whether for consumption upon the premises or not and which
25 has annual sales in excess of Three Hundred Twenty-five Thousand
26 Dollars (\$325,000.00).

27 (f) "University" means the Mississippi University for
28 Women.

29 Section 2. (1) The governing authorities are hereby

30 authorized to impose upon persons doing business within the city
31 and county a tax at the rate of two percent (2%) on the gross
32 receipts of restaurants derived from retail sales of prepared
33 food, beer and alcoholic beverages and on the gross proceeds of
34 sales of other businesses derived from retail sales of beer and
35 alcoholic beverages, excluding sales of alcoholic beverages upon
36 premises covered by a package retailer's permit and sales of beer
37 not for consumption on the premises. The governing authorities
38 shall distribute the avails of the tax in the * * * manner
39 provided in this subsection (1). The proceeds of the tax shall be
40 used to provide funds to the university for the maintenance of
41 buildings and facilities at the university, to provide funds to
42 the Columbus-Lowndes Convention and Visitor's Bureau to promote
43 tourism in the city and the county and to enhance the quality of
44 life of the citizenry. The proceeds of the tax shall be
45 distributed to each entity in the following percentages for the
46 following years: beginning January 1, 2001, and for the 2001
47 calendar year, sixty-two and one-half percent (62-1/2%) to the
48 Columbus-Lowndes Convention and Visitor's Bureau, and thirty-seven
49 and one-half percent (37-1/2%) to the university; beginning
50 January 1, 2002, and for the 2002 calendar year, seventy-five
51 percent (75%) to the Columbus-Lowndes Convention and Visitor's
52 Bureau, and twenty-five percent (25%) to the university; beginning
53 January 1, 2003, and for the 2003 calendar year, eighty-seven and
54 one-half percent (87-1/2%) to the Columbus-Lowndes Convention and
55 Visitor's Bureau, and twelve and one-half percent (12-1/2%) to the
56 university; and beginning January 1, 2004, and thereafter, all of
57 the tax proceeds shall be distributed to the Columbus-Lowndes
58 Convention and Visitor's Bureau.

59 (2) Before the tax authorized by this act may be imposed,
60 the governing authorities shall adopt resolutions declaring their
61 intention to levy the tax and establishing the amount of the tax
62 levy and the date on which this tax initially shall be levied and

63 collected. This date shall be the first day of a month. Notice
64 of the proposed tax levy shall be published once each week for at
65 least three (3) consecutive weeks in a newspaper published or
66 having a general circulation in such city and county. The first
67 publication of such notice shall be made not less than twenty-one
68 (21) days prior to the date fixed in the resolution at which the
69 governing authorities propose to levy such tax and the last
70 publication shall be made not more than seven (7) days prior to
71 such date. If, within the time of giving notice, twenty percent
72 (20%) or fifteen hundred (1500), whichever is less, of the
73 qualified electors of the county shall file a written petition
74 against the levy of such tax then such tax shall not be levied
75 unless authorized by a majority of the qualified electors of such
76 county voting at an election to be called and held for that
77 purpose. Prior to the effective date of the tax levy approved as
78 herein provided, the governing authorities shall furnish to the
79 Chairman of the State Tax Commission a certified copy of the
80 resolutions evidencing such tax levy. The provisions of this
81 section shall not be construed to authorize a levy by the
82 governing authorities of the county upon sales by persons within
83 the city.

84 (3) Persons, firms or corporations liable for the tax
85 imposed herein shall add the amount of tax to the sales price of
86 goods described in subsection (1) of this section and, in addition
87 thereto, shall collect, insofar as practicable, the amount of the
88 tax due by them from the person receiving the goods at the time of
89 payment therefor.

90 (4) The tax shall be collected by and paid to the State Tax
91 Commission on a form prescribed by the State Tax Commission, in
92 the same manner that state sales taxes are computed, collected and
93 paid; and the full enforcement provisions and all other provisions
94 of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as
95 necessary to the implementation and administration of this act.

96 (5) The proceeds of the tax, less three percent (3%) to be
97 retained by the State Tax Commission to defray the costs of
98 collections, shall be paid to the governing authorities, to be
99 placed into a special fund hereby created separate and apart from
100 any other city or county fund, on or before the fifteenth day of
101 the month following the month in which collected.

102 (6) The tax levied hereunder may be discontinued by an
103 action of either or both of the governing authorities adopting a
104 resolution to that effect. Such resolution shall be effective
105 beginning on the first day of a month designated in the resolution
106 and the tax levy shall not apply to sales made on and after said
107 date. A certified copy of the resolution shall be furnished to
108 the State Tax Commission at least seven (7) days prior to its
109 effective date.

110 Section 3. The provisions of Sections 1 and 2 of this act
111 shall be repealed on July 1, 2004.

112 SECTION 2. This act shall take effect and be in force from
113 and after January 1, 2001.