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

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

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

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

(a) "City" means the City of Columbus, Mississippi.
(b) "County" means Lowndes County, Mississippi.
(c) "Governing authorities" means the Mayor and City Council of the City of Columbus, Mississippi, and the Board of Supervisors of Lowndes County, Mississippi.
(d) "Prepared food" means food prepared on the premises of a restaurant.
(e) "Restaurant" means any place where prepared food is sold whether for consumption upon the premises or not and which has annual sales in excess of Three Hundred Twenty-five Thousand Dollars ($325,000.00).
(f) "University" means the Mississippi University for Women.

Section 2. (1) The governing authorities are hereby
authorized to impose upon persons doing business within the city
and county a tax at the rate of two percent (2%) on the gross
receipts of restaurants derived from retail sales of prepared
food, beer and alcoholic beverages and on the gross proceeds of
sales of other businesses derived from retail sales of beer and
alcoholic beverages, excluding sales of alcoholic beverages upon
premises covered by a package retailer's permit and sales of beer
not for consumption on the premises. The governing authorities
shall distribute the avails of the tax in the * * * manner
provided in this subsection (1). The proceeds of the tax shall be
used to provide funds to the university for the maintenance of
buildings and facilities at the university, to provide funds to
the Columbus-Lowndes Convention and Visitor's Bureau to promote
economic development and tourism in the city and the county
including, but not limited to, providing support for economic
development and tourism advertising, providing support for
business and industrial parks and providing support for tourist
attractions. The proceeds of the tax shall be distributed to each
entity in the following percentages for the following years:
beginning January 1, 2001, and for the 2001 calendar year,
sixty-two and one-half percent (62-1/2%) to the Columbus-Lowndes
Convention and Visitor's Bureau, and thirty-seven and one-half
percent (37-1/2%) to the university; beginning January 1, 2002,
and for the 2002 calendar year, seventy-five percent (75%) to the
Columbus-Lowndes Convention and Visitor's Bureau, and twenty-five
percent (25%) to the university; beginning January 1, 2003, and
for the 2003 calendar year, eighty-seven and one-half percent
(87-1/2%) to the Columbus-Lowndes Convention and Visitor's Bureau,
and twelve and one-half percent (12-1/2%) to the university; and
beginning January 1, 2004, and thereafter, all of the tax proceeds
shall be distributed to the Columbus-Lowndes Convention and
Visitor's Bureau.

(2) Before the tax authorized by this act may be imposed,
the governing authorities shall adopt resolutions declaring their
intention to levy the tax and establishing the amount of the tax
levy and the date on which this tax initially shall be levied and
collected. This date shall be the first day of a month. Notice
of the proposed tax levy shall be published once each week for at
least three (3) consecutive weeks in a newspaper published or
having a general circulation in such city and county. The first
publication of such notice shall be made not less than twenty-one
(21) days prior to the date fixed in the resolution at which the
governing authorities propose to levy such tax and the last
publication shall be made not more than seven (7) days prior to
such date. If, within the time of giving notice, twenty percent
(20%) or fifteen hundred (1500), whichever is less, of the
qualified electors of the county shall file a written petition
against the levy of such tax then such tax shall not be levied
unless authorized by a majority of the qualified electors of such
county voting at an election to be called and held for that
purpose. Prior to the effective date of the tax levy approved as
herein provided, the governing authorities shall furnish to the
Chairman of the State Tax Commission a certified copy of the
resolutions evidencing such tax levy. The provisions of this
section shall not be construed to authorize a levy by the
governing authorities of the county upon sales by persons within
the city.

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

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

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

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

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

SECTION 2. This act shall take effect and be in force from