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To: Local and Private
Legislation; Ways and
Means

HOUSE BILL NO. 1714
(As Passed the House)

1 AN ACT TO AMEND CHAPTER 816, LOCAL AND PRIVATE LAWS OF 1991,
2 AS AMENDED BY CHAPTER 953, LOCAL AND PRIVATE LAWS OF 1996; TO
3 REVISE THE PURPOSES FOR WHICH THE WASHINGTON COUNTY CONVENTION AND
4 VISITORS COMMITTEE MAY USE THE PROCEEDS OF THE ADDITIONAL SALES
5 TAX IMPOSED ON CERTAIN ESTABLISHMENTS IN WASHINGTON COUNTY; TO
6 REVISE THE MEMBERSHIP OF THE WASHINGTON COUNTY CONVENTION AND
7 VISITORS COMMITTEE; TO REMOVE THE REPEALER ON THE WASHINGTON
8 COUNTY CONVENTION AND VISITORS COMMITTEE AND THE AUTHORITY OF THE
9 WASHINGTON COUNTY BOARD OF SUPERVISORS TO IMPOSE SUCH ADDITIONAL
10 TAX; AND FOR RELATED PURPOSES.

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

12 SECTION 1. Chapter 816, Local and Private Laws of 1991, as
13 amended by Chapter 953, Local and Private Laws of 1996, is amended
14 as follows:

15 Section 1. The Economic Development District of Washington
16 County, created pursuant to Section 19-5-99, Mississippi Code of
17 1972, is hereby authorized and empowered, in its discretion, to
18 create by resolution duly adopted and entered on its minutes, a
19 committee entitled the "Washington County Convention and Visitors
20 Committee," to be operated under the umbrella and authority of the
21 Economic Development District of Washington County.

22 Section 2. The Economic Development District of Washington
23 County may empower the committee upon approval of the district as
24 follows:

25 (a) To exercise activities relating to establishing,
26 promoting and developing tourism within the county;

27 (b) To furnish, equip, staff and operate any and all
28 facilities and equipment necessary or useful in the promotion of
29 tourism within the county;

30 (c) To receive and expend revenues from any sources

31 including, but not limited to, private enterprise and those
32 revenues provided by this act;

33 (d) To lease or contract for any equipment useful and
34 necessary in the promotion of tourism and convention business; and

35 (e) To have and exercise all powers necessary or
36 convenient to effect any and all of the purposes for which the
37 committee is organized, except that the committee may not own or
38 sell real property, and further, to appoint and employ individuals
39 and agencies acting in its behalf for any and all of the
40 aforementioned powers and responsibilities.

41 Section 3. (1) For the purposes of providing funds to
42 promote tourism and conventions in Washington County, the Board of
43 Supervisors of Washington County is hereby authorized to levy and
44 assess against and to collect from every person operating a hotel,
45 motel or restaurant or on-premises retailer's permit which are
46 legal under the provisions of Chapter 1, Title 67, Mississippi
47 Code of 1972 (hereinafter referred to as "taxable establishments")
48 in Washington County an assessment in addition to all other taxes
49 now imposed, which shall not exceed a sum equal to one percent
50 (1%) of the gross proceeds of sales of such taxable establishments
51 in Washington County, excluding any charges which are exempt from
52 taxes levied under the Mississippi Sales Tax Law, Chapter 65,
53 Title 27, Mississippi Code of 1972. Persons liable for the tax
54 imposed herein shall add the amount of such tax to the sales price
55 or gross income and, in addition, shall collect, insofar as
56 practicable, the amount of the tax due by him from the purchaser
57 at the time the sales price or gross income is collected. All
58 words, terms and phrases used herein shall have the same meanings
59 ascribed to them in Chapter 65, Title 27, Mississippi Code of
60 1972.

61 This tax shall not apply to restaurants that have gross
62 proceeds of sales or gross income of less than One Hundred
63 Thousand Dollars (\$100,000.00) per calendar year. In order to

64 calculate gross proceeds of sales or gross income, the sales or
65 income of all of the establishments owned, operated or controlled
66 by the same person, persons or corporation shall be aggregated.

67 (2) For the purposes of this act, the words "hotel" and
68 "motel" shall mean a place of lodging that at any one (1) time
69 will accommodate transient guests on a daily or weekly basis and
70 that are known to the trade as such. Hotels and motels with ten
71 (10) or less rental units are exempt.

72 (3) For the purposes of this act, "restaurant" means a place
73 which is regularly engaged in serving cooked or prepared meals to
74 customers for compensation for on- or off-premises consumption,
75 including restaurants and lunch counters located in other retail
76 establishments, but shall not include delicatessen departments of
77 grocery and convenience stores which do not provide seating
78 facilities for customers for on-premises consumption of meals.
79 Restaurants and establishments selling alcoholic beverages
80 operated by bona fide private clubs organized for some common
81 object other than the sale of goods and alcoholic beverages are
82 exempt from the tax authorized herein.

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

89 (5) The proceeds of such tax less three percent (3%) to be
90 retained by the State Tax Commission to defray the costs of
91 collection shall be paid to the Convention and Visitors Committee
92 on or before the fifteenth day of the month following the month in
93 which collected.

94 (6) The proceeds of the tax shall not be considered by
95 Washington County or any municipality therein as general fund
96 revenues, but shall be dedicated solely for the purpose of

97 carrying out the programs and activities of the committee. The
98 Washington County Convention and Visitors Committee may allocate
99 annually an amount not to exceed Twenty-five Thousand Dollars
100 (\$25,000.00) per year to Washington County, Mississippi, in
101 consideration of use of county facilities and support services.

102 Section 4. (1) The funds herein authorized shall be
103 expended by the Convention and Visitors Committee upon approval by
104 the Economic Development District of Washington County. The
105 committee shall be composed of nine (9) members to be appointed by
106 the district as hereinafter provided. Five (5) members of the
107 committee shall be the five (5) members appointed to the district
108 by the board of supervisors and the presiding officer of the
109 district shall appoint four (4) members of the committee. The
110 four (4) members appointed by the presiding officer shall consist
111 of one (1) member from the Greenville Area Chamber of Commerce,
112 one (1) member from the alcoholic beverage sales business, one (1)
113 member from the hotel or motel business, and one (1) member from
114 the restaurant business. In the selection of committee members,
115 the district shall make every effort to select individuals who are
116 knowledgeable of, or actively involved in, the tourism industry.

117 The committee shall be appointed within sixty (60) days following
118 the passage of this act, and the members shall serve for terms of
119 three (3) years. The term of the member appointed by the
120 presiding officer of the Economic Development District of
121 Washington County from the alcoholic beverage sales business shall
122 expire on the effective date of House Bill No. 1714, 2000 Regular
123 Session, and from and after such date, such position on the
124 Washington County Convention and Visitors Committee shall be
125 filled by one (1) at large member appointed by the presiding
126 officer of the Economic Development District of Washington County.

127 (2) All subsequent appointments shall be made for terms of
128 three (3) years, except that the appointment to fill a vacancy
129 shall be for the unexpired term only.

130 (3) The members of the committee shall serve without
131 compensation and shall elect officers and adopt rules and
132 regulations. The committee shall further fix a regular meeting
133 date, but may provide for special meetings. The committee shall
134 keep minutes of its proceedings, as are necessary to carry out its
135 responsibilities under this act. A quorum of the committee shall
136 consist of five (5) members.

137 (4) Any member of the committee may be removed from office
138 by the district for one (1) of the following reasons:

139 (a) Conviction of a felony; or

140 (b) Failure to attend three (3) consecutive meetings
141 without just cause.

142 If a member of the committee is removed for one (1) of the
143 above reasons, the vacancy shall be filled in the manner
144 prescribed in this section.

145 Section 5. The tax authorized in this act shall not be
146 levied until the board of supervisors shall have adopted a
147 resolution favoring the tax levy and fixing the amount of the tax
148 levy and the date on which the tax levy is proposed to commence,
149 which shall be the first day of a month, and the board shall have
150 published notice of its intention to levy the tax. The notice
151 shall be published once each week for at least three (3)
152 consecutive weeks in a newspaper having a general circulation in
153 the county. The first publication of such notice shall be made
154 not less than twenty-one (21) days prior to the date fixed in the
155 resolution on which the board proposes to levy such tax, and the
156 last publication shall be made not more than seven (7) days prior
157 to such date. If, within the time of giving notice, twenty
158 percent (20%) or fifteen hundred (1500), whichever is less, of the
159 qualified electors of the county shall file a written petition
160 against the levy of such tax then such tax shall not be levied
161 unless authorized by a majority of the qualified electors of such
162 county, voting at an election to be called and held for that

163 purpose. Prior to the effective date of the tax levy approved as
164 herein provided, the board of supervisors shall furnish to the
165 Chairman of the State Tax Commission a certified copy of the
166 resolution evidencing such tax levy.

167 Section 6. Before the expenditure of funds herein
168 prescribed, a budget reflecting the anticipated receipts and
169 expenditures for such purposes as promotion, advertising and
170 operation shall be approved by the board of supervisors. The
171 first budget of receipts and expenditures shall cover the period
172 beginning with the effective date of the tax and ending with the
173 end of the county's fiscal year and, thereafter, the budget shall
174 be on the same fiscal basis as the budget of Washington County.

175 Section 7. Accounting for receipts and expenditures of the
176 funds herein described shall be made separately from the
177 accounting of receipts and expenditures of the committee and the
178 district and from the general fund and any other funds of
179 Washington County. The records reflecting the receipts and
180 expenditures of the funds prescribed herein shall be audited
181 annually by an independent certified public accountant, and the
182 accountant shall make a written report of his audit to the board
183 of supervisors, the district and the committee. Such audit shall
184 be made and completed as soon as practicable after the close of
185 the fiscal year and the expenses of such audit may be paid from
186 the funds derived pursuant to Section 3 of this act.

187 Section 8. The provisions of Sections 1 through 7 of this
188 act shall be repealed on July 1, 2003.

189 SECTION 2. This act shall take effect and be in force from
190 and after its passage.