

By: Posey

To: Local and Private;
Finance

SENATE BILL NO. 2725

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
 2 HAZLEHURST TO LEVY A TAX UPON THE GROSS PROCEEDS OF HOTELS AND
 3 MOTELS DERIVED FROM ROOM RENTALS AND UPON THE GROSS PROCEEDS OF
 4 SALES OF RESTAURANTS; TO PROVIDE THAT SUCH TAX SHALL BE COLLECTED
 5 BY THE STATE TAX COMMISSION; TO PROVIDE THAT THE REVENUE RECEIVED
 6 BY THE CITY OF HAZLEHURST FROM SUCH TAX SHALL BE DEDICATED AND
 7 EXPENDED SOLELY FOR TOURISM DEVELOPMENT, RETAIL/WHOLESALE
 8 MANUFACTURING AND RESIDENTIAL GROWTH, INCLUDING DESIGNATION AS A
 9 RETIREMENT COMMUNITY, AND ANY OTHER RELATED ECONOMIC DEVELOPMENT,
 10 TOURISM DEVELOPMENT OR COMMUNITY PURPOSE PROMOTIONS; AND FOR
 11 RELATED PURPOSES.

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

13 SECTION 1. As used in this act, the following terms shall
 14 have the meanings ascribed to them in this section unless a
 15 different meaning is clearly indicated by the context in which
 16 they are used:

17 (a) "Governing authorities" means the Mayor and Board
 18 of Aldermen of the City of Hazlehurst, Mississippi.

19 (b) "Hotel," motel" or "bed and breakfast" means any
 20 establishment engaged in the business of furnishing or providing
 21 rooms intended or designed for dwelling, lodging or sleeping
 22 purposes to transient guests and which are known in the trade as
 23 such. The term "hotel," "motel" or "bed and breakfast" does not
 24 include any hospital, convalescent or nursing home or sanitarium,
 25 or any hotel-like facility operated by or in connection with a
 26 hospital or medical clinic providing rooms exclusively for
 27 patients and their families.

28 (c) "Restaurant" means all places, including hotel and
 29 motel dining rooms, cafeterias, cafes, lunch stands, grocery and
 30 convenience stands, where prepared food and beverages, including

31 beer and alcoholic beverages, are sold for consumption, whether
32 such food is consumed on the premises or not. The term
33 "restaurant" does not include any school, hospital, convalescent
34 or nursing home, or any restaurant-like facility operated by or in
35 connection with a school, hospital, medical clinic, convalescent
36 or nursing home providing food for students, patients, visitors or
37 their families.

38 (d) "Prepared food" means food prepared on the premises
39 of a restaurant.

40 SECTION 2. (1) For the purpose of providing funds for the
41 promotion and marketing of the attributes of the City of
42 Hazlehurst for tourism development, retail/wholesale manufacturing
43 and residential growth, including designation as a retirement
44 community, and any other related economic development, tourism
45 development or community purpose promotions, the governing
46 authorities of the City of Hazlehurst are authorized, in their
47 discretion, to levy and collect from the following persons a tax,
48 which shall be in addition to all of the taxes and assessments
49 imposed. The tax shall be on the following persons:

50 (a) A tax upon every person, firm or corporation
51 operating a hotel, motel or bed and breakfast in the City of
52 Hazlehurst, at a rate not to exceed one percent (1%) of the gross
53 proceeds derived from room rentals; and

54 (b) A tax upon every person, firm or corporation
55 operating a restaurant in the City of Hazlehurst, at a rate not to
56 exceed one percent (1%) of the gross proceeds of the sales of beer
57 and alcoholic beverages sold for consumption on the premises of
58 such restaurant and the sales of all prepared foods of such
59 restaurant whether consumed on the premises or off the premises of
60 such restaurant.

61 (2) Persons, firms or corporation liable for the levy
62 imposed under subsection (1) of this section shall add the amount
63 of the levy to the sales price of the rooms and products set out
64 in subsection (1) of this section and shall collect, insofar as is
65 practicable, the amount of the tax due by them from the person
66 receiving the services or product at the time of payment therefor.

67 (3) Such tax shall be collected by and paid to the State Tax

68 Commission on a form prescribed by the State Tax Commission in the
69 manner that state sales taxes are computed, collected and paid;
70 and full enforcement provisions and all other provisions of
71 Chapter 65, Title 27, Mississippi Code of 1972, shall apply as
72 necessary to the implementation and administration of this act.

73 (4) The proceeds of such tax, less three percent (3%)
74 thereof which shall be retained by the State Tax Commission to
75 defray the cost of collection, shall be paid to the governing
76 authorities of the City of Hazlehurst, on or before the fifteenth
77 day of the month in which collected.

78 (5) The proceeds of such tax shall not be considered by the
79 City of Hazlehurst as general fund revenues but shall be dedicated
80 to and expended solely for the purposes specified in this section.

81 SECTION 3. Before the tax authorized by this act may be
82 imposed, the governing authorities must adopt a resolution
83 declaring their intention to levy the tax, setting forth the
84 amount of such tax and establishing the date on which this tax
85 initially shall be levied and collected. Notice of the tax shall
86 be published once each week for at least three (3) consecutive
87 weeks in a newspaper having a general circulation in the City of
88 Hazlehurst, the first publication of which shall be made not less
89 than twenty-one (21) days before the date on which the tax
90 initially is to be levied and collected. If, within the time of
91 giving notice, twenty percent (20%) or fifteen hundred (1500),
92 whichever is less, of the qualified electors of the City of
93 Hazlehurst, file a written petition against the levy of such tax,
94 then such tax shall not be levied unless authorized by a majority
95 of the qualified electors of the City of Hazlehurst voting at an
96 election to be called and held for that purpose. At least thirty
97 (30) days before the effective date of the tax, the governing
98 authorities shall furnish to the State Tax Commission a certified
99 copy of the resolution evidencing such tax.

100 SECTION 4. Accounting for receipts and expenditures of the

101 funds described in this act must be made separately from the
102 accounting of receipts and expenditures of the general fund and
103 any other funds of the City of Hazlehurst. The records reflecting
104 the receipts and expenditures of the funds prescribed in this act
105 shall be audited annually by an independent certified public
106 accountant, and the accountant shall make a written report of his
107 audit to the governing authorities. The audit shall be made and
108 completed as soon as practicable after the close of the fiscal
109 year, and expenses of such audit shall be paid from the funds
110 derived pursuant to this act.

111 SECTION 5. The governing authorities of the City of
112 Hazlehurst are directed to submit this act, immediately upon
113 approval by the Governor, or upon approval by the Legislature
114 subsequent to a veto, to the Attorney General of the United States
115 or to the United States District Court for the District of
116 Columbia in accordance with the provisions of the Voting Rights
117 Act of 1965, as amended and extended.

118 SECTION 6. This act shall take effect and be in force from
119 and after the date it is effectuated under Section 5 of the Voting
120 Rights Act of 1965, as amended and extended.