

By: Moffatt, Robertson

To: Local and Private;  
Finance

SENATE BILL NO. 3312

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF  
2 GAUTIER, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS  
3 DERIVED FROM HOTEL, MOTEL AND BED AND BREAKFAST ROOM RENTALS IN  
4 THE CITY; TO PROVIDE FOR A PETITION ELECTION ON THE QUESTION OF  
5 IMPOSING SUCH A TAX; TO PROVIDE THAT THE TAX SHALL BE COLLECTED BY  
6 THE STATE TAX COMMISSION AND PAID TO THE CITY OF GAUTIER; TO  
7 PROVIDE THAT THE PROCEEDS FROM THE TAX SHALL BE USED FOR THE  
8 PURPOSE OF CAPITAL IMPROVEMENTS AND ECONOMIC DEVELOPMENT IN THE  
9 GAUTIER AREA; AND FOR RELATED PURPOSES.

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

11 SECTION 1. As used in this act, the following terms shall  
12 have meanings ascribed in this section unless otherwise clearly  
13 indicated by the context in which they are used:

14 (a) "Governing authorities" means the governing  
15 authorities of the City of Gautier, Mississippi.

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

25 SECTION 2. (1) For the purpose of providing funds for  
26 economic development and capital improvements for economic  
27 development in the Gautier, Mississippi area, the governing  
28 authorities of the City of Gautier, in their discretion, are  
29 authorized to levy and collect from every person, firm or

30 corporation operating a hotel, motel or bed and breakfast in the  
31 city a tax, which shall be in addition to all other taxes and  
32 assessments imposed, which shall not exceed three percent (3%) of  
33 the gross proceeds derived from room rentals of all such hotels,  
34 motels or bed and breakfasts in the city.

35 (2) Persons, firms or corporations liable for the tax  
36 imposed under subsection (1) of this section shall add the amount  
37 of the tax to the sales price and shall collect, insofar as is  
38 practicable, the amount of the tax due by him from the person  
39 receiving the services or product at the time of payment therefor.

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

46 (4) The proceeds of such tax, less three percent (3%)  
47 thereof which shall be retained by the State Tax Commission to  
48 defray the costs of collection, shall be paid to the governing  
49 authorities on or before the fifteenth day of the month in which  
50 collected.

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

54 SECTION 3. Before the tax authorized by this act may be  
55 imposed, the governing authorities shall adopt a resolution  
56 declaring their intention to levy the tax, setting forth the  
57 amount of such tax and establishing the date on which the tax  
58 initially shall be levied and collected. Notice of the proposed  
59 tax shall be published once each week for at least three (3)  
60 consecutive weeks in a newspaper having a general circulation in  
61 the City of Gautier. The first publication of the notice shall be  
62 made not less than twenty-one (21) days before the date fixed in  
63 the resolution on which the tax initially is to be levied and  
64 collected, and the last publication of the notice shall be made  
65 not more than seven (7) days before such date. If, within the  
66 time of giving notice, twenty percent (20%) or fifteen hundred

67 (1500), whichever is less, of the qualified electors of the City  
68 of Gautier, file a written petition against the levy of such tax,  
69 then the tax shall not be levied unless authorized by a majority  
70 of the qualified electors of the City of Gautier, voting at an  
71 election to be called and held for that purpose. At least thirty  
72 (30) days before the effective date of the tax, the governing  
73 authorities shall furnish to the State Tax Commission a certified  
74 copy of the resolution evidencing such tax.

75 SECTION 4. Accounting for receipts and expenditures of the  
76 funds described in this act shall be made separately from the  
77 accounting of receipts and expenditures of the general fund and  
78 any other funds of the City of Gautier. The records reflecting  
79 the receipts and expenditures of the funds prescribed in this act  
80 shall be audited annually by an independent certified public  
81 accountant, and the accountant shall make a written report of his  
82 audit to the governing authorities. The audit shall be made and  
83 completed as soon as practicable after the close of the fiscal  
84 year, and expenses of such audit shall be paid from the funds  
85 derived pursuant to this act.

86 SECTION 5. The governing authorities of the City of Gautier,  
87 Mississippi, shall submit this act, immediately upon approval by  
88 the Governor, or upon approval by the Legislature subsequent to a  
89 veto, to the Attorney General of the United States or to the  
90 United States District Court for the District of Columbia in  
91 accordance with the provisions of the Voting Rights Act of 1965,  
92 as amended and extended.

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