HOUSE BILL NO. 1524

AN ACT TO AUTHORIZE THE BOARD OF SUPERVISORS OF ANY COUNTY, WITH THE CONSENT OF THE GOVERNING AUTHORITIES OF EACH MUNICIPALITY LOCATED THEREIN, TO LEVY A SPECIAL SALES TAX OF ONE PERCENT UPON ALL SALES AND SERVICES WITHIN THE COUNTY AND IN ANY MUNICIPALITY LOCATED THEREIN, WHICH SALES AND SERVICES ARE SUBJECT TO THE GENERAL RATE OF SALES TAX; TO PROVIDE FOR AN ELECTION ON THE QUESTION OF LEVYING SUCH TAX; TO REQUIRE THAT RESIDENTS OF THE COUNTY BE PROVIDED WITH NOTICE OF THE PROJECT OR PROJECTS FOR WHICH THE PROCEEDS OF THE SPECIAL SALES TAX WILL BE USED, THE COST OF SUCH PROJECT OR PROJECTS AND A STATEMENT THAT THE TAX, IF APPROVED AT AN ELECTION, WILL BE REPEALED NOT LATER THAN SEVEN YEARS AFTER THE DATE OF ITS IMPOSITION; TO PROVIDE THAT THE TAX SHALL BE COLLECTED BY THE STATE TAX COMMISSION; TO PROVIDE THAT THE TAX AUTHORIZED IN THIS ACT SHALL BE REPEALED NOT LATER THAN SEVEN YEARS AFTER THE DATE IT IS INITIALLY IMPOSED AND THAT AFTER THE REPEAL OF THE TAX, A COUNTY MAY NOT SUBSEQUENTLY LEVY ANOTHER SUCH TAX FOR AT LEAST THREE YEARS AFTER THE REPEAL OF THE PREVIOUS TAX; TO PROVIDE THAT IF ANY PROCEEDS OF THE TAX REMAIN AFTER COMPLETION OF THE PROJECT OR PROJECTS FOR WHICH THE PROCEEDS ARE USED, SUCH REMAINING TAX PROCEEDS SHALL BE USED TO REDUCE THE COUNTY AD VALOREM TAXES; TO AMEND SECTIONS 27-39-303 AND 27-39-317, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PROVISIONS OF THIS ACT; AND FOR RELATED PURPOSES.

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

SECTION 1. (1) Subject to the provisions of subsection (2) of this section, the board of supervisors of any county may levy, assess and collect a special sales tax, in addition to all other taxes now imposed, at the rate of one percent (1%) upon all sales and services within the county and in any municipality located within the county, which sales and services are subject to the general state sales tax rate of seven percent (7%).

(2) (a) Before the tax authorized in subsection (1) of this section may be imposed, the board of supervisors of the county must adopt a resolution declaring the intention to levy the tax and providing that if the governing authorities of each
municipality located in the county adopt a resolution supporting
the proposed special sales tax, then a referendum will be held on
the question of levying such tax. The resolution of the board of
supervisors and the governing authorities must contain a detailed
description of the project or projects for which the proceeds of
the tax shall be used, the cost of such project or projects and a
statement that the tax, if approved at an election, will be
repealed not later than seven (7) years after the date of its
imposition. If the requirements of this subsection (2) are met,
then an election on the question of levy and assessment of such
tax shall be called and held as herein provided. Notice of such
election shall be signed by the clerk of the board of supervisors
and shall be published once a week for at least three (3)
consecutive weeks in at least one (1) newspaper published or
having a general circulation in the county. The first publication
of such notice shall be made not less than twenty-one (21) days
before the date fixed for the election and the last publication
shall be made not more than seven (7) days before such date.

(b) The election on the question of the levy of the tax
authorized in this section shall be held, as far as is
practicable, in the same manner as other elections are held in
counties. At the election, all qualified electors of the county
may vote, and the ballots used at such election shall have printed
thereon a statement of the amount and purpose of the proposed tax
levy including a description of the project or projects for which
the proceeds of the tax shall be used and the cost of such project
or projects, and the words "FOR THE SPECIAL SALES TAX," and
"AGAINST THE SPECIAL SALES TAX," and the voters shall vote by
placing a cross (X) or check (✓) opposite their choice on the
proposition. When the results of the election on the question of
the levy of the tax have been canvassed by the election
commissioners of the county and certified by them to the board of
supervisors, the county may levy the tax if a majority of the
qualified electors who vote in the election vote in favor of the tax.

(3) (a) Persons liable for the tax imposed under this section shall add the amount of tax to the sales price or gross proceeds of sales, and in addition thereto, shall collect, insofar as practicable, the amount of the tax due by him from the person receiving the services at the time of payment therefor.

(b) 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 section.

(c) The proceeds of the tax shall be paid to the board of supervisors of the county on or before the fifteenth day of the month following the month in which collected by the State Tax Commission.

(d) The proceeds of the tax shall not be considered by the county as general fund revenue and shall be placed into a separate special fund apart from the county general fund and any other funds of the county, and such special fund shall be maintained and administered jointly in the name of the county and each municipality located in the county. Monies in such special fund shall be used solely for the purposes stated in the resolutions of the board of supervisors and governing authorities as described in subsection (2)(a) of this section.

(4) The tax levy authorized in this section shall be repealed not later than seven (7) years after the date it is initially imposed. After the repeal of the tax levy, a county may not subsequently levy another such tax for at least three (3) years after the repeal date of the previous tax.
(5) If any proceeds of the tax remain after completion of the project or projects for which the proceeds are used, then the remaining tax proceeds shall be used to reduce the ad valorem taxes levied by the county.

SECTION 2. Section 27-39-303, Mississippi Code of 1972, is amended as follows:

27-39-303. Subject to the provisions of this section, the board of supervisors of any county is hereby empowered to levy ad valorem taxes on taxable property in the respective counties in any one (1) year, as shown by the assessment roll containing assessments of property made as of January 1 of the year, and the assessment of motor vehicles as made according to the provisions of the Motor Vehicle Ad Valorem Tax Law of 1958 (Section 27-51-1 et seq.) for all general county purposes, exclusive only of levies for roads and bridges and schools at the rate necessary to fund such purposes. The board of supervisors of any county levying the special sales tax authorized in Section 1 of House Bill No. , 2001 Regular Session, shall use any excess proceeds of such tax to reduce the ad valorem taxes levied by the county as provided in Section 1(5) of House Bill No. , 2001 Regular Session.

The board of supervisors of any county is further empowered to expend the proceeds of this levy for any purpose authorized for any other levy which the board of supervisors is authorized to make, excluding the levy for roads and bridges, and the board may authorize general fund expenditures for school purposes when necessary to meet the minimum local ad valorem tax effort required by Section 37-57-1, Mississippi Code of 1972.

The board of supervisors of any county is further empowered to distribute from the county general fund a portion of the county's share of payments made by the Tennessee Valley Authority to the state in lieu of taxes (a) to the school districts of said county and (b) for construction on the roads and bridges of said county in an amount which bears the same proportion to the total
amount of the county's share as the millage for the school fund and road and bridge fund bears to the total millage levied by the county. In the event said in lieu payments are expended for capital improvements, said payments shall not be subject to the increase limitations specified in Section 27-39-321 or 37-57-107, Mississippi Code of 1972.

SECTION 3. Section 27-39-317, Mississippi Code of 1972, is amended as follows:

27-39-317. Subject to the provisions of the last paragraph of this section, the board of supervisors of each county shall, at its regular meeting in September of each year, levy the county ad valorem taxes for the fiscal year, and shall, by order, fix the tax rate, or levy, for the county, for the road districts, if any, and for the school districts, if any, and for any other taxing districts; and the rates, or levies, for the county and for any district shall be expressed in mills or a decimal fraction of a mill. Said tax rates, or levies, shall determine the ad valorem taxes to be collected upon each dollar of valuation, upon the assessment rolls of the county, including the assessment of motor vehicles as provided by the Motor Vehicle Ad Valorem Tax Law of 1958, Section 27-51-1 et seq., for county taxes; and upon each dollar of valuation for the respective districts, as shown upon the assessment rolls of the county, including the assessment of motor vehicles as provided by the Motor Vehicle Ad Valorem Tax Law of 1958, Section 27-51-1 et seq.; except as to such values as shall be exempt, in whole or in part, from certain tax rates or levies. If the rate or levy for the county is an increase from the previous fiscal year, then the proposed rate or levy shall be advertised in accordance with Sections 27-39-203 and 27-39-205. If the board of supervisors of any county shall not levy the county taxes and the district taxes at its regular September meeting, the board shall levy the same on or before September 15 at an adjourned or special meeting, or thereafter, provided,
however, that if such levy be not made on or before the fifteenth day of September then the tax collector or State Tax Commission may issue road and bridge privilege tax license plates for motor vehicles as defined in the Motor Vehicle Ad Valorem Tax Law of 1958, Section 27-51-1 et seq., without collecting or requiring proof of payment of county ad valorem taxes, and may continue to so issue such plates until such levy is duly certified to him, and for twenty-four (24) hours thereafter.

Notwithstanding the requirements of this section, in the event the State Tax Commission orders the county to make an adjustment to the tax roll pursuant to Section 27-35-113, the county shall have a period of thirty (30) days from the date of the commission's final determination to adjust the millage in order to collect the same dollar amount of taxes as originally levied by the board.

In making the levy of taxes, the board of supervisors shall specify, in its order, the levy for each purpose, as follows:

(a) For general county purposes (current expense and maintenance taxes), as authorized by Section 27-39-303.

(b) For roads and bridges, as authorized by Section 27-39-305.

(c) For schools, including the countywide minimum education program levy and the levy for each school district including special municipal separate school districts, but not including other municipal separate school districts, and for an agricultural high school, county high school or junior college (current expense and maintenance taxes), as authorized by Chapter 57, Title 37, Mississippi Code of 1972, and any other applicable statute. The levy for schools shall apply to the assessed value of property in the respective school districts, including special municipal separate school districts, but not including other municipal separate school districts, and a distinct and separate
levy shall be made for each school district, and the purpose for each levy shall be stated.

d) For road bonds and the interest thereon, separately for countywide bonds and for the bonds of each road district.

e) For school bonds and the interest thereon, separately for countywide bonds and for the bonds of each school district.

f) For countywide bonds, and the interest thereon, other than for road bonds and school bonds.

g) For loans, notes or any other obligation, and the interest thereon, if permitted by the law.

(h) For any other purpose for which a levy is lawfully made.

The order shall state all of the purposes for which the general county levy is made, using the administrative items suggested by the State Department of Audit of Mississippi under the county budget law in its uniform system of accounts for counties, but the rate or levy for any item or purpose need not be shown; and if a countywide levy is made for any general or special purpose under the provisions of any law other than Section 27-39-303, each such levy shall be separately stated.

During the month of February of each year, if the order or resolution of the board of trustees of any school district of said county or partly in said county, is filed with it requesting the levying of ad valorem taxes for the support and maintenance of such school district for the following fiscal year, then the board of supervisors of every such county in the state shall notify, in writing, within thirty (30) days, the county superintendent of education of such county, the levy or levies it intends to make for the support and maintenance of such school districts of such county at its regular meeting in September following, and the county superintendent of education and the trustees of all such school districts shall be authorized to use such expressed
ST: Sales tax, local; authorize counties to levy.