AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF COLUMBIA TO LEVY A TAX UPON THE GROSS PROCEEDS OF SALES FROM HOTEL AND MOTEL ROOM RENTALS IN THE CITY AND GROSS PROCEEDS OF SALES OF RESTAURANTS AND SUCH OTHER BUSINESSES WHERE PREPARED FOOD AND DRINK IS SOLD TO THE PUBLIC; TO PROVIDE FOR A PETITION ELECTION ON THE QUESTION OF IMPOSING THE TAX; TO PROVIDE THAT THE PROCEEDS OF SUCH TAX SHALL BE USED TO PROMOTE THE ATTRIBUTES OF THE CITY OF COLUMBIA, RESTORATION OF HISTORIC DOWNTOWN COLUMBIA, THE PROMOTION, DEVELOPMENT, CONSTRUCTION, FURNISHING AND IMPROVEMENT OF THE COLUMBIA EXPOSITION CENTER, AND THE PROMOTION ESTABLISHMENT, DEVELOPMENT, CONSTRUCTION AND FURNISHING OF A MULTIPURPOSE SPORTS COMPLEX; AND FOR RELATED PURPOSES.

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

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

(a) "City clerk" means the city clerk for the City of Columbia, Mississippi.

(b) "Governing authorities" means the governing authorities of the City of Columbia, Mississippi.

(c) "Hotel" or "motel" means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, which establishment does not encompass any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.

(d) "Prepared food" means food prepared on the premises of a restaurant.
(e) "Restaurant" means all places where prepared food and beverages are sold for consumption, whether such food is consumed on the premises or not. Such term does not include any school, hospital, convalescent or nursing home, or any restaurant like facility operated by or in connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors or their families.

SECTION 2. (1) For the purpose of providing funds to promote the attributes of the City of Columbia, including the restoration of historic downtown Columbia, the promotion, establishment, development, construction, furnishing, equipping and erection of improvements to the Columbia Exposition Center, and the promotion, establishment, development, construction furnishing, equipping and erection of a multipurpose sports complex for the City of Columbia, the governing authorities, in their discretion, may levy and collect from persons, firms or corporations specified in this act, a tax, which shall be in addition to all of the taxes and assessments imposed. The tax shall be imposed upon the following:

(a) A tax upon every person, firm or corporation operating a hotel or motel in the City of Columbia, at a rate not to exceed two percent (2%) of the gross proceeds of sales from room rentals for each such hotel or motel.

(b) A tax upon every person, firm or corporation operating a restaurant or such other business in the City of Columbia, where prepared food and drink is sold to the public, at a rate not to exceed two percent (2%) of the gross proceeds of the sales of such restaurant or business.

(2) Persons, firms, or corporations liable for the tax under this section shall add the amount of the tax to the sales price and, in addition, shall collect, insofar as is practicable, the amount of the tax due by them from the person receiving the services or product at the time of payment therefor.
(3) Such 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 tax is 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.

(4) The proceeds of such tax, less three percent (3%) thereof which shall be retained by the State Tax Commission to defray the cost of collection, shall be paid to the city clerk for and on behalf of the City of Columbia on or before the fifteenth day of the month following the month in which collected.

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

SECTION 3. Before the tax authorized by this act may be imposed, the governing authorities shall adopt a resolution declaring their intention to levy the tax, setting forth the amount of such tax and establishing the date on which this tax initially shall be levied and collected. Notice of the proposed tax levy shall be published once each week for at least three (3) consecutive weeks in a newspaper having a general circulation in the City of Columbia. The first publication of the notice shall be made not less than twenty-one (21) days before the date fixed in the resolution on which the governing authorities propose to levy the tax, and the last publication of the notice shall be made not more than seven (7) days before that date. If, within the time of giving notice, twenty percent (20%) or fifteen hundred (1,500) whichever is less, of the qualified electors of the City of Columbia, file a written petition against the levy of such tax, then the tax shall not be levied unless authorized by a majority of the qualified electors of the City of Columbia, voting at an election to be called and held for that purpose. At least thirty (30) days before the effective date of the tax provided in this
SECTION 4. Accounting for receipts and expenditures of the funds described in this act shall be made separately from the accounting of receipts and expenditures of the general fund and any other funds of the City of Columbia. The records reflecting the receipts and expenditures of the funds prescribed herein shall be audited annually by an independent certified public accountant, and the accountant shall make a written report of his audit to the governing authorities. The audit shall be made and completed as soon as practicable after the close of the fiscal year, and expenses of such audit shall be paid from the funds derived pursuant to this act.

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

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