HOUSE BILL NO. 1664

AN ACT TO AUTHORIZE THE BOARD OF SUPERVISORS OF HINDS COUNTY TO IMPOSE A SPECIAL SALES TAX OF NOT MORE THAN ONE PERCENT ON THE GROSS PROCEEDS OF ALL SALES OR THE GROSS INCOME OF BUSINESSES WITHIN THE COUNTY OUTSIDE THE BOUNDARIES OF ANY INCORPORATED MUNICIPALITY DERIVED FROM ACTIVITIES TAXED AT THE RATE OF SEVEN PERCENT OR MORE UNDER THE MISSISSIPPI SALES TAX LAW; TO PROVIDE FOR A PETITION ELECTION ON THE QUESTION OF IMPOSING THE SPECIAL SALES TAX; TO AUTHORIZE THE COUNTY TO INCUR INDEBTEDNESS IN AN AMOUNT NOT GREATER THAN AN AMOUNT WHOSE DEBT SERVICE IS CAPABLE OF BEING FUNDED BY THE PROCEEDS OF THE SPECIAL SALES TAX; TO PROVIDE THAT THE SPECIAL SALES TAX REVENUE COLLECTED PURSUANT TO SUCH A TAX SHALL BE USED AND EXPENDED BY THE COUNTY ONLY TO FUND INFRASTRUCTURE AND/OR RECREATIONAL PROJECTS; AND FOR RELATED PURPOSES.

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

SECTION 1. The Board of Supervisors of Hinds County, in its discretion, may impose upon all persons as a privilege for engaging or continuing in business or doing business within the county, but outside the boundaries of any incorporated municipality, a special sales tax at the rate of not more than one percent (1%) of the gross proceeds of sales or gross income of the business, as the case may be, derived from any of the activities taxed at the rate of seven percent (7%) or more under the Mississippi Sales Tax Law, Section 27-65-1 et seq., Mississippi Code of 1972, as provided in this section. The tax levied by this section shall apply to every person making sales, delivery or installations of tangible personal property or services within the county outside the boundaries of any incorporated municipality, but shall not apply to sales exempted by Sections 27-65-19, 27-65-101, 27-65-103, 27-65-105, 27-65-107, 27-65-109 and 27-65-111 of the Mississippi Sales Tax Law.
SECTION 2. Before the tax authorized by this act may be imposed, the board of supervisors shall adopt a resolution declaring its intention to levy the tax, setting forth the amount of the tax and establishing the date on which the tax initially shall be levied and collected. Notice of the proposed tax shall be published once each week for at least three (3) consecutive weeks in a newspaper having a general circulation in the county. 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 tax initially is to be levied and collected, 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 (1500), whichever is less, of the qualified electors of the county, file a written petition against the levy of the tax, then the tax shall not be levied unless authorized by a majority of the qualified electors of the county, voting at an election to be called and held for that purpose. At least thirty (30) days before the effective date of the tax, the board of supervisors shall furnish to the State Tax Commission a certified copy of the resolution evidencing the tax.

SECTION 3. (1) The special sales tax authorized by this act shall be collected by the State Tax Commission, shall be accounted for separately from the amount of sales tax collected for the state in the county and shall be paid to the county. Payments to the county shall be made by the State Tax Commission on or before the fifteenth day of the month following the month in which the tax was collected.

(2) The proceeds of the special sales tax shall be placed into a separate fund apart from the county general fund and any other funds of the county, and shall be expended by the county solely for the purpose of paying any indebtedness or other obligation the county may incur for any transportation
infrastructure projects or recreational facilities projects, or both, specified in the resolution ordering the election.

(3) All provisions of the Mississippi Sales Tax Law applicable to filing of returns, discounts to the taxpayer, remittances to the State Tax Commission, enforced collection, rights of taxpayers, recovery of improper taxes, refunds of overpaid taxes and other provisions of law providing for imposition and collection of the state sales tax shall apply to the special sales tax authorized by this act, except where there is a conflict, in which case the provisions of this act shall control. Any damages, penalties or interest collected for the nonpayment of taxes imposed under this act, or for noncompliance with the provisions of this act, shall be paid to the county on the same basis and in the same manner as the tax proceeds. Any overpayment of tax for any reason that has been disbursed to the county or any payment of the tax to the county in error may be adjusted by the State Tax Commission on any subsequent payment to the county pursuant to the provisions of the Mississippi Sales Tax Law. The State Tax Commission, from time to time, may make such rules and regulations not inconsistent with this act as may be deemed necessary to carry out its provisions, and such rules and regulations shall have the full force and effect of law.

SECTION 4. The Board of Supervisors of Hinds County may incur indebtedness of the county in an aggregate principal amount that is not in excess of an amount for which debt service is capable of being funded by the proceeds of the special sales tax levied pursuant to this act. The indebtedness authorized by this section shall not be considered when computing any limitation of indebtedness of the county established by law.

SECTION 5. 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 county. The records reflecting the
receipts and expenditures of the funds prescribed in this act shall be audited annually by an independent certified public accountant, and the accountant shall make a written report of his audit to the board of supervisors. The audit shall be made and completed as soon as practicable after the close of the fiscal year, and expenses of the audit shall be paid from the funds derived pursuant to this act.

SECTION 6. The Board of Supervisors of Hinds County, 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 7. 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.