MISSISSIPPI LEGISLATURE
REGULAR SESSION 2002

By: Representative Holloway

To: Local and Private Legislation; Ways and Means

HOUSE BILL NO. 1870

AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF HAZLEHURST TO LEVY A TAX UPON THE GROSS PROCEEDS DERIVED FROM HOTEL, MOTEL AND BED AND BREAKFAST ROOM RENTALS IN THE CITY AND UPON THE GROSS PROCEEDS OF RESTAURANTS IN THE CITY FROM THE SALE OF PREPARED FOOD AND BEVERAGES; 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 AND MARKET THE ATTRIBUTES AND THE DEVELOPMENT AND GROWTH OF THE CITY OF HAZLEHURST; 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) "Governing authorities" means the mayor and board of aldermen of the City of Hazlehurst, Mississippi.

(b) "Gross proceeds" means the total revenue generated by:

(i) A restaurant from the sale of prepared or prepackaged food, alcoholic beverages and nonalcoholic beverages; and

(ii) A hotel, motel or bed and breakfast from room rentals.

(c) "Hotel," "motel" or "bed and breakfast" means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests and which are known in the trade as such. The term "hotel," "motel" or "bed and breakfast" does not include 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, including hotel and
motel dinning rooms, cafeterias, cafes, lunch stands and grocery
and convenience stands, where prepared food and beverages,
including beer and alcoholic 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 for the
promotion and marketing of the attributes of the City of
Hazlehurst for tourism development, retail/wholesale manufacturing
and residential growth, including designation as a retirement
community and any other related economic development, tourism
development or community purpose promotions, the governing
authorities may levy and collect 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, motel or bed and breakfast in the City of
Hazlehurst, at a rate not to exceed one percent (1%) of the gross
proceeds derived from room rentals; and

(b) A tax upon every person, firm or corporation
operating a restaurant in the City of Hazlehurst, at a rate not to
exceed one percent (1%) of the gross proceeds of the sales of beer
and alcoholic beverages sold for consumption on the premises and
all prepared foods of such restaurants whether consumed on or off
the premises.
(2) Persons, firms, or corporations liable for the tax under this section shall add the amount of the tax to the sales price of the rooms and products 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 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 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 governing authorities 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 Hazlehurst as general fund revenues but shall be dedicated to and expended solely for the purposes specified in subsection (1) of 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 to be imposed 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 Hazlehurst. 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 (1,500) whichever is less, of the qualified electors of
the City of Hazlehurst, 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 Hazlehurst,
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, the governing authorities shall furnish
to the State Tax Commission a certified copy of the resolution
evidencing such tax.

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 Hazlehurst. 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 the
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 the audit shall be paid from the funds
derived pursuant to this act.

SECTION 5. The governing authorities of the City of
Hazlehurst 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 Hazlehurst 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.