

By: Representatives Bailey, Cameron, Hines

To: Local and Private
Legislation; Ways and Means

HOUSE BILL NO. 1877

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF WASHINGTON
2 COUNTY TO LEVY A TAX UPON THE GROSS PROCEEDS OF HOTELS AND MOTELS
3 DERIVED FROM ROOM RENTALS AND UPON THE GROSS PROCEEDS OF SALES OF
4 RESTAURANTS; TO PROVIDE THAT SUCH TAX SHALL BE COLLECTED BY THE
5 STATE TAX COMMISSION; TO PROVIDE THAT THE REVENUE RECEIVED BY THE
6 COUNTY FROM SUCH TAX SHALL BE DEDICATED AND EXPENDED SOLELY FOR
7 THE MAINTENANCE, REPAIR AND RENOVATION, AND LONG-TERM EXPANSION OF
8 THE WASHINGTON COUNTY CONVENTION CENTER AND FOR THE CONSTRUCTION
9 OF A CONVENTION CENTER IN THE DOWNTOWN AREA OF THE CITY OF
10 GREENVILLE; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** As used in this act, the following terms shall
13 have the meanings ascribed to them in this section unless a
14 different meaning is clearly indicated by the context in which
15 they are used:

16 (a) "Governing authorities" means the Board of
17 Supervisors of Washington County, Mississippi.

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

27 (c) "Restaurant" means all places, including hotel and
28 motel dining rooms, cafeterias, cafes, lunch stands, grocery and
29 convenience stands, where prepared food and beverages, including
30 beer and alcoholic beverages, are sold for consumption, whether
31 such food is consumed on the premises or not. The term



32 "restaurant" does not include any school, hospital, convalescent
33 or nursing home, or any restaurant-like facility operated by or in
34 connection with a school, hospital, medical clinic, convalescent
35 or nursing home providing food for students, patients, visitors or
36 their families.

37 (d) "Prepared food" means food prepared on the premises
38 of a restaurant.

39 **SECTION 2.** (1) For the purpose of providing funds for the
40 ongoing maintenance, repair and renovation and long-term expansion
41 of the Washington County Convention Center and the construction of
42 a convention center in the downtown area of the City of
43 Greenville, the governing authorities of Washington County are
44 authorized, in their discretion, to levy and collect from the
45 following persons a countywide tax, which shall be in addition to
46 all other taxes and assessments imposed and which shall be levied
47 both within and outside of all municipalities located in the
48 county. The tax shall be on the following persons:

49 (a) A tax upon every person, firm or corporation
50 operating a hotel, motel or bed and breakfast in Washington
51 County, at a rate not to exceed one percent (1%) of the gross
52 proceeds derived from room rentals; and

53 (b) A tax upon every person, firm or corporation
54 operating a restaurant in Washington County, at a rate not to
55 exceed one percent (1%) of the gross proceeds of the sales of beer
56 and alcoholic beverages sold for consumption on the premises of
57 such restaurant and the sales of all prepared foods of such
58 restaurant whether consumed on the premises or off the premises of
59 such restaurant.

60 (2) Persons, firms or corporations liable for the levy
61 imposed under subsection (1) of this section shall add the amount
62 of the levy to the sales price of the rooms and products set out
63 in subsection (1) of this section and shall collect, insofar as is



64 practicable, the amount of the tax due by them from the person
65 receiving the services or product at the time of payment therefor.

66 (3) Such tax shall be collected by and paid to the State Tax
67 Commission on a form prescribed by the State Tax Commission in the
68 manner that state sales taxes are computed, collected and paid;
69 and full enforcement provisions and all other provisions of
70 Chapter 65, Title 27, Mississippi Code of 1972, shall apply as
71 necessary to the implementation and administration of this act.

72 (4) The proceeds of such tax, less three percent (3%)
73 thereof which shall be retained by the State Tax Commission to
74 defray the cost of collection, shall be paid to the governing
75 authorities of Washington County, on or before the fifteenth day
76 of the month in which collected. The governing authorities of
77 Washington County shall allocate sixty-six percent (66%) of the
78 proceeds of the tax to the City of Greenville for the construction
79 of a convention center in the downtown area and thirty-four
80 percent (34%) of the proceeds of the tax to defray the costs of
81 the ongoing maintenance, repair and renovation and long-term
82 expansion of the Washington County Convention Center. The
83 governing authorities of the City of Greenville shall, to the
84 greatest extent possible, utilize local contractors and vendors in
85 the construction of the city convention center, with minorities
86 and disadvantaged businesses representing twenty-five percent
87 (25%) to fifty percent (50%) of the total number of contractors
88 and vendors utilized in such construction.

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

92 **SECTION 3.** Before the tax authorized by this act may be
93 imposed, the governing authorities of Washington County shall
94 adopt a resolution declaring their intention to levy the tax,
95 setting forth the amount of such tax and establishing the date on
96 which the tax initially shall be levied and collected. Notice of



97 the proposed tax shall be published once each week for at least
98 three (3) consecutive weeks in a newspaper having a general
99 circulation in the county. The first publication of the notice
100 shall be made not less than twenty-one (21) days before the date
101 fixed in the resolution on which the tax initially is to be levied
102 and collected, and the last publication of the notice shall be
103 made not more than seven (7) days before such date. If, within
104 the time of giving notice, twenty percent (20%) or fifteen hundred
105 (1500), whichever is less, of the qualified electors of the
106 county, file a written petition against the levy of such tax, then
107 the tax shall not be levied unless authorized by a majority of the
108 qualified electors of the county, voting at an election to be
109 called and held for that purpose. At least thirty (30) days
110 before the effective date of the tax, the governing authorities
111 shall furnish to the State Tax Commission a certified copy of the
112 resolution evidencing such tax.

113 **SECTION 4.** Accounting for receipts and expenditures of the
114 funds described in this act shall be made separately from the
115 accounting of receipts and expenditures of the general fund and
116 any other funds of Washington County. The records reflecting the
117 receipts and expenditures of the funds prescribed in this act
118 shall be audited annually by an independent certified public
119 accountant, and the accountant shall make a written report of his
120 audit to the governing authorities. The audit shall be made and
121 completed as soon as practicable after the close of the fiscal
122 year, and expenses of such audit shall be paid from the funds
123 derived pursuant to this act.

124 **SECTION 5.** The provisions of Sections 1 through 4 shall be
125 repealed on July 1, 2012.

126 **SECTION 6.** The governing authorities of Washington County,
127 Mississippi, shall submit this act, immediately upon approval by
128 the Governor, or upon approval by the Legislature subsequent to a
129 veto, to the Attorney General of the United States or to the



130 United States District Court for the District of Columbia in
131 accordance with the provisions of the Voting Rights Act of 1965,
132 as amended and extended.

133 **SECTION 7.** This act shall take effect and be in force from
134 and after the date it is effectuated under Section 5 of the Voting
135 Rights Act of 1965, as amended and extended.

