

By: Representative Simpson

To: Local and Private  
Legislation; Ways and Means

HOUSE BILL NO. 1883

1 AN ACT TO AUTHORIZE THE CITY OF GULFPORT TO LEVY A ONE  
2 PERCENT SALES TAX ON BUSINESS ACTIVITIES IN THE CITY; TO PROVIDE  
3 THAT THE AVAILS OF THE SALES TAX MAY BE USED FOR THE REPAIR,  
4 IMPROVEMENT AND EXTENSION OF THE PUBLIC WATER AND SANITARY SEWER  
5 SYSTEM AND OF THE STORM DRAINAGE SYSTEM OF THE CITY; AND FOR  
6 RELATED PURPOSES.

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

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

12 (a) "Governing authorities" means the governing  
13 authorities of the City of Gulfport, Mississippi.

14 (b) "Business activities" means any activity for which  
15 sales tax is collected under Chapter 65, Title 27, Mississippi  
16 Code of 1972.

17 **SECTION 2.** (1) For the purpose of providing funds for (a)  
18 the repair, improvement and extension of the public water and  
19 sanitary sewer system of the City of Gulfport, (b) the purchase of  
20 the rights-of-way and property interests for the system, (c) the  
21 purchase of existing water and sewer system facilities and  
22 franchise certificates, and (d) the expenses of any other related  
23 water and sewer purposes, the governing authorities of the City of  
24 Gulfport are authorized, in their discretion, to levy and collect  
25 an additional sales tax of one percent (1%), which shall be in  
26 addition to all other taxes and assessments imposed and which  
27 shall be levied upon business activities in the City of Gulfport.

28 The proceeds of such tax shall be used for the purposes  
29 specified in subsection (1) of this section, and any such proceeds



30 in excess of One Hundred Twenty-five Million Dollars  
31 (\$125,000,000.00) may be used by the governing authorities, in  
32 their discretion, for the repair, improvement, extension, and  
33 related purposes, of the storm drainage system of the City of  
34 Gulfport, including the expenses of purchasing rights-of-way and  
35 property interests required therefor. In addition, the proceeds  
36 of the tax may be applied to any bonded indebtedness or loan of  
37 the City of Gulfport made to finance the improvements and  
38 expenditures authorized by this act.

39 (2) Persons, firms or corporations conducting business  
40 activities liable for the tax imposed under subsection (1) of this  
41 section shall add the amount of the levy to the sales price and  
42 shall collect, insofar as is practicable, the amount of the tax  
43 due by them from the person receiving the services or product at  
44 the time of payment therefor.

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

51 (4) The proceeds of such tax, less three percent (3%)  
52 thereof which shall be retained by the State Tax Commission to  
53 defray the cost of collection, shall be paid to the governing  
54 authorities of the City of Gulfport, on or before the fifteenth  
55 day of the month in which collected.

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

59 **SECTION 3.** Before any tax authorized under this act may be  
60 imposed, the governing authorities of the City of Gulfport shall  
61 adopt a resolution declaring its intention to levy the tax,  
62 setting forth the amount of such tax to be imposed, the date upon



63 which such tax shall become effective and calling for a referendum  
64 to be held on the question. The date of the election shall be the  
65 first Tuesday after the first Monday in November 2002. Notice of  
66 such intention shall be published once each week for at least  
67 three (3) consecutive weeks in a newspaper published or having a  
68 general circulation in the county, with the first publication of  
69 such notice to be made not less than twenty-one (21) days before  
70 the date fixed in the resolution for the election and the last  
71 publication to be made not more than seven (7) days before the  
72 election. At the election, all qualified electors of the City of  
73 Gulfport may vote, and the ballots used in such election shall  
74 have printed thereon a brief statement of the amount and purposes  
75 of the proposed tax levy and the words "FOR THE WATER AND SEWER  
76 TAX" and, on a separate line, "AGAINST THE WATER AND SEWER TAX"  
77 and the voters shall vote by placing a cross (X) or check (✓)  
78 opposite their choice on the proposition. When the results of any  
79 such election shall have been canvassed and certified, the city  
80 may levy the tax beginning on the first day of January 2003, if  
81 sixty percent (60%) of the qualified electors who vote in the  
82 election vote in favor of the tax. At least thirty (30) days  
83 before the effective date of the tax provided in this section, the  
84 governing authorities shall furnish to the State Tax Commission a  
85 certified copy of the resolution evidencing such tax.

86       **SECTION 4.** Accounting for receipts and expenditures of the  
87 funds described in this act shall be made separately from the  
88 accounting of receipts and expenditures of the general fund and  
89 any other funds of the City of Gulfport. The records reflecting  
90 the receipts and expenditures of the funds prescribed in this act  
91 shall be audited annually by an independent certified public  
92 accountant, and the accountant shall make a written report of his  
93 audit to the governing authorities. The audit shall be made and  
94 completed as soon as practicable after the close of the fiscal  
95 year, and expenses of such audit shall be paid from the funds



96 derived pursuant to this act or from the city's general fund, in  
97 the discretion of the governing authorities.

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

100         **SECTION 6.** The governing authorities of the City of  
101 Gulfport, Mississippi, shall submit this act, immediately upon  
102 approval by the Governor, or upon approval by the Legislature  
103 subsequent to a veto, to the Attorney General of the United States  
104 or to the United States District Court for the District of  
105 Columbia in accordance with the provisions of the Voting Rights  
106 Act of 1965, as amended and extended.

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

