

By: Senator(s) Stogner, Harvey

To: Local and Private;
Finance

SENATE BILL NO. 2214

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 COLUMBIA TO LEVY A TAX UPON THE GROSS PROCEEDS OF SALES FROM HOTEL
3 AND MOTEL ROOM RENTALS IN THE CITY AND GROSS PROCEEDS OF SALES OF
4 RESTAURANTS AND SUCH OTHER BUSINESSES WHERE PREPARED FOOD AND
5 DRINK IS SOLD TO THE PUBLIC; TO PROVIDE FOR A PETITION ELECTION ON
6 THE QUESTION OF IMPOSING THE TAX; TO PROVIDE THAT THE PROCEEDS OF
7 SUCH TAX SHALL BE USED TO PROMOTE THE ATTRIBUTES OF THE CITY OF
8 COLUMBIA, INCLUDING RESTORATION OF HISTORIC DOWNTOWN COLUMBIA IN
9 ORDER TO ENHANCE HOSPITALITY AND TOURISM, THE PROMOTION,
10 DEVELOPMENT, CONSTRUCTION, FURNISHING AND IMPROVEMENT OF THE
11 COLUMBIA EXPOSITION CENTER, AND THE PROMOTION, ESTABLISHMENT,
12 DEVELOPMENT, CONSTRUCTION AND FURNISHING OF A MULTIPURPOSE SPORTS
13 COMPLEX; AND FOR RELATED PURPOSES.

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

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

18 (a) "City clerk" means the City Clerk for the City of
19 Columbia, Mississippi.

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

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

30 (d) "Prepared food" means food prepared on the premises
31 of a restaurant.



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

39 **SECTION 2.** (1) For the purpose of providing funds to
40 promote the attributes of the City of Columbia, including the
41 restoration of historic downtown Columbia in order to enhance
42 hospitality and tourism, the promotion, establishment,
43 development, construction, furnishing, equipping and erection of
44 improvements to the Columbia Exposition Center, and the promotion,
45 establishment, development, construction, furnishing, equipping
46 and erection of a multipurpose sports complex for the City of
47 Columbia, the governing authorities, in their discretion, may levy
48 and collect from persons, firms or corporations specified in this
49 act, a tax, which shall be in addition to all of the taxes and
50 assessments imposed. The tax shall be imposed upon the following:

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

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

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



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

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

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

79 **SECTION 3.** Before any tax authorized under this act may be
80 imposed, the governing authorities shall adopt a resolution
81 declaring its intention to levy the tax, setting forth the amount
82 of such tax to be imposed, the date upon which such tax shall
83 become effective and calling for a referendum to be held on the
84 question. The date of the election shall be the first Tuesday
85 after the first Monday in November 2002. Notice of such intention
86 shall be published once each week for at least three (3)
87 consecutive weeks in a newspaper published or having a general
88 circulation in the county, with the first publication of such
89 notice to be made not less than twenty-one (21) days before the
90 date fixed in the resolution for the election and the last
91 publication to be made not more than seven (7) days before the
92 election. At the election, all qualified electors of the City of
93 Columbia may vote, and the ballots used in such election shall
94 have printed thereon a brief statement of the amount and purposes
95 of the proposed tax levy and the words "FOR THE TOURISM PROMOTION
96 TAX" and, on a separate line, "AGAINST THE TOURISM PROMOTION TAX"
97 and the voters shall vote by placing a cross (X) or check (✓)



98 opposite their choice on the proposition. When the results of any
99 such election shall have been canvassed and certified, the city
100 may levy the tax beginning on the first day of January 2003, if a
101 majority of the qualified electors who vote in the election vote
102 in favor of the tax. At least thirty (30) days before the
103 effective date of the tax provided in this section, the governing
104 authorities shall furnish to the State Tax Commission a certified
105 copy of the resolution evidencing such tax.

106 **SECTION 4.** Accounting for receipts and expenditures of the
107 funds described in this act shall be made separately from the
108 accounting of receipts and expenditures of the general fund and
109 any other funds of the City of Columbia. The records reflecting
110 the receipts and expenditures of the funds prescribed herein shall
111 be audited annually by an independent certified public accountant,
112 and the accountant shall make a written report of his audit to the
113 governing authorities. The audit shall be made and completed as
114 soon as practicable after the close of the fiscal year, and
115 expenses of such audit shall be paid from the funds derived
116 pursuant to this act.

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

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

