

By: Senator(s) Stogner, Harvey

To: Local and Private;
Finance

COMMITTEE SUBSTITUTE
FOR
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 FUND THE PROMOTION, DEVELOPMENT,
8 FURNISHING AND IMPROVEMENT OF THE COLUMBIA EXPOSITION CENTER, AND
9 THE PROMOTION, ESTABLISHMENT, DEVELOPMENT, CONSTRUCTION AND
10 FURNISHING OF A MULTIPURPOSE SPORTS COMPLEX; AND FOR RELATED
11 PURPOSES.

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

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

16 (a) "City clerk" means the City Clerk for the City of
17 Columbia, Mississippi.

18 (b) "Governing authorities" means the governing
19 authorities of the City of Columbia, Mississippi.

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

28 (d) "Prepared food" means food prepared on the premises
29 of a restaurant.

30 (e) "Restaurant" means all places where prepared food
31 and beverages are sold for consumption, whether such food is



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

37 **SECTION 2.** (1) For the purpose of providing funds for the
38 promotion, establishment, development, furnishing, equipping and
39 erection of improvements to the Columbia Exposition Center, and
40 the promotion, establishment, development, furnishing, equipping
41 and erection of a multipurpose sports complex for the City of
42 Columbia, the governing authorities, in their discretion, may levy
43 and collect from persons, firms or corporations specified in this
44 act, a tax, which shall be in addition to all of the taxes and
45 assessments imposed. The tax shall be imposed upon the following:

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

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

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

60 (3) Such tax shall be collected by and paid to the State Tax
61 Commission on a form prescribed by the State Tax Commission in the
62 same manner that state sales tax is computed, collected and paid;
63 and the full enforcement provisions and all other provisions of



64 Chapter 65, Title 27, Mississippi Code of 1972, shall apply as
65 necessary to the implementation and administration of this act.

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

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

74 **SECTION 3.** Before any tax authorized under this act may be
75 imposed, the governing authorities shall adopt a resolution
76 declaring its intention to levy the tax, setting forth the amount
77 of such tax to be imposed, the date upon which such tax shall
78 become effective and calling for a referendum to be held on the
79 question. The date of the election shall be the first Tuesday
80 after the first Monday in November 2002. Notice of such intention
81 shall be published once each week for at least three (3)
82 consecutive weeks in a newspaper published or having a general
83 circulation in the county, with the first publication of such
84 notice to be made not less than twenty-one (21) days before the
85 date fixed in the resolution for the election and the last
86 publication to be made not more than seven (7) days before the
87 election. At the election, all qualified electors of the City of
88 Columbia may vote, and the ballots used in such election shall
89 have printed thereon a brief statement of the amount and purposes
90 of the proposed tax levy and the words "FOR THE TOURISM PROMOTION
91 TAX" and, on a separate line, "AGAINST THE TOURISM PROMOTION TAX"
92 and the voters shall vote by placing a cross (X) or check (✓)
93 opposite their choice on the proposition. When the results of any
94 such election shall have been canvassed and certified, the city
95 may levy the tax beginning on the first day of January 2003, if a
96 majority of the qualified electors who vote in the election vote



97 in favor of the tax. At least thirty (30) days before the
98 effective date of the tax provided in this section, the governing
99 authorities shall furnish to the State Tax Commission a certified
100 copy of the resolution evidencing such tax.

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

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

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

