MISSISSIPPI LEGISLATURE

REGULAR SESSION 2002

By: Senator(s) Stogner, Harvey

To: Local and Private; Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2214

AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF COLUMBIA TO LEVY A TAX UPON THE GROSS PROCEEDS OF SALES FROM HOTEL AND MOTEL ROOM RENTALS IN THE CITY AND GROSS PROCEEDS OF SALES OF RESTAURANTS AND SUCH OTHER BUSINESSES WHERE PREPARED FOOD AND DRINK IS SOLD TO THE PUBLIC; 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 FUND THE PROMOTION, DEVELOPMENT, FURNISHING AND IMPROVEMENT OF THE COLUMBIA EXPOSITION CENTER, AND THE PROMOTION, ESTABLISHMENT, DEVELOPMENT, CONSTRUCTION AND FURNISHING OF A MULTIPURPOSE SPORTS COMPLEX; 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) "City clerk" means the City Clerk for the City of Columbia, Mississippi.

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

(c) "Hotel" or "motel" means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, which establishment does not encompass 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 where prepared food and 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, establishment, development, furnishing, equipping and
errection of improvements to the Columbia Exposition Center, and
the promotion, establishment, development, furnishing, equipping
and erection of a multipurpose sports complex for the City of
Columbia, the governing authorities, in their discretion, may levy
and collect from persons, firms or corporations specified in this
act, 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 or motel in the City of Columbia, at a rate not
to exceed two percent (2%) of the gross proceeds of sales from
room rentals for each such hotel or motel.

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

(2) Persons, firms or corporations liable for the tax under
this section shall add the amount of the tax to the sales price
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 is 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 city clerk for and on behalf of the City of Columbia 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 Columbia as general fund revenues but shall be dedicated to and expended solely for the purposes specified in this section.

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

the receipts and expenditures of the funds prescribed herein shall

be audited annually by an independent certified public accountant,

and the accountant shall make a written report of his 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 such audit shall be paid from the funds derived

pursuant to this act.

SECTION 5. The governing authorities of the City of Columbia

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 Columbia 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.