

By: Representative Holloway

To: Local and Private
Legislation; Ways and Means

HOUSE BILL NO. 1473

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 HAZLEHURST TO LEVY A TAX UPON THE GROSS PROCEEDS DERIVED FROM
3 HOTEL, MOTEL AND BED AND BREAKFAST ROOM RENTALS IN THE CITY AND
4 UPON THE GROSS PROCEEDS OF RESTAURANTS IN THE CITY FROM THE SALE
5 OF PREPARED FOOD AND BEVERAGES; TO PROVIDE FOR AN ELECTION ON THE
6 QUESTION OF IMPOSING THE TAX; TO PROVIDE THAT THE PROCEEDS OF SUCH
7 TAX SHALL BE USED TO PROMOTE AND MARKET THE ATTRIBUTES AND THE
8 DEVELOPMENT AND GROWTH OF THE CITY OF HAZLEHURST; AND FOR RELATED
9 PURPOSES.

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

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

14 (a) "Governing authorities" means the mayor and board
15 of aldermen of the City of Hazlehurst, Mississippi.

16 (b) "Gross proceeds" means the total revenue generated
17 by:

18 (i) A restaurant from the sale of prepared or
19 prepackaged food, alcoholic beverages and nonalcoholic beverages;
20 and

21 (ii) A hotel, motel or bed and breakfast from room
22 rentals.

23 (c) "Hotel," "motel" or "bed and breakfast" means any
24 establishment engaged in the business of furnishing or providing
25 rooms intended or designed for dwelling, lodging or sleeping
26 purposes to transient guests and which are known in the trade as
27 such. The term "hotel," "motel" or "bed and breakfast" does not
28 include any hospital, convalescent or nursing home or sanitarium,
29 or any hotel-like facility operated by or in connection with a



30 hospital or medical clinic providing rooms exclusively for
31 patients and their families.

32 (d) "Prepared food" means food prepared on the premises
33 of a restaurant.

34 (e) "Restaurant" means all places, including hotel and
35 motel dining rooms, cafeterias, cafes, lunch stands and grocery
36 and convenience stands, where prepared food and beverages,
37 including beer and alcoholic beverages, are sold for consumption,
38 whether such food is consumed on the premises or not. Such term
39 does not include any school, hospital, convalescent or nursing
40 home, or any restaurant like facility operated by or in connection
41 with a school, hospital, medical clinic, convalescent or nursing
42 home providing food for students, patients, visitors or their
43 families.

44 **SECTION 2.** (1) For the purpose of providing funds for the
45 promotion and marketing of the attributes of the City of
46 Hazlehurst for tourism development, retail/wholesale manufacturing
47 and residential growth, including designation as a retirement
48 community and any other related economic development, tourism
49 development or community purpose promotions, the governing
50 authorities may levy and collect a tax, which shall be in addition
51 to all of the taxes and assessments imposed. The tax shall be
52 imposed upon the following:

53 (a) A tax upon every person, firm or corporation
54 operating a hotel, motel or bed and breakfast in the City of
55 Hazlehurst, at a rate not to exceed one percent (1%) of the gross
56 proceeds derived from room rentals; and

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



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

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

74 (4) The proceeds of such tax, less three percent (3%)
75 thereof which shall be retained by the State Tax Commission to
76 defray the cost of collection, shall be paid to the governing
77 authorities on or before the fifteenth day of the month following
78 the month in which collected.

79 (5) The proceeds of such tax shall not be considered by the
80 City of Hazlehurst as general fund revenues but shall be dedicated
81 to and expended solely for the purposes specified in subsection
82 (1) of this section.

83 **SECTION 3.** Before the tax authorized by this act may be
84 imposed, the governing authorities shall adopt a resolution
85 declaring their intention to levy the tax, setting forth the
86 amount of such tax to be imposed, establishing the date on which
87 this tax initially shall be levied and collected and calling for a
88 referendum to be held on the question. The date of the election
89 shall be the first Tuesday after the first Monday in November
90 2003. Notice of such intention shall be published once each week
91 for at least three (3) consecutive weeks in a newspaper published
92 or having a general circulation in the City of Hazlehurst, with
93 the first publication of such notice to be made not less than
94 twenty-one (21) days before the election and the last publication
95 to be made not more than seven (7) days before the election. At



96 the election, all qualified electors of the City of Hazlehurst may
97 vote, and the ballots used in such election shall have printed
98 thereon a brief statement of the amount and purposes of the
99 proposed tax levy and the words "FOR THE TAX" and, on a separate
100 line, "AGAINST THE TAX" and the voters shall vote by placing a
101 cross (X) or check (✓) opposite their choice on the proposition.
102 When the results of any such election shall have been canvassed
103 and certified, the city may levy the tax beginning on the first
104 day of January 2004, if a majority of the qualified electors who
105 vote in the election vote in favor of the tax. At least thirty
106 (30) days before the effective date of the tax provided in this
107 section, the governing authorities shall furnish to the State Tax
108 Commission a certified copy of the resolution evidencing such tax.

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

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



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

