HOUSE BILL NO. 1608

AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF WASHINGTON COUNTY TO LEVY A TAX UPON THE GROSS PROCEEDS OF HOTELS AND MOTELS DERIVED FROM ROOM RENTALS AND UPON THE GROSS PROCEEDS OF SALES OF RESTAURANTS; TO PROVIDE THAT SUCH TAX SHALL BE COLLECTED BY THE STATE TAX COMMISSION; TO PROVIDE THAT THE REVENUE RECEIVED BY THE COUNTY FROM SUCH TAX SHALL BE DEDICATED AND EXPENDED SOLELY FOR THE MAINTENANCE, REPAIR AND RENOVATION, AND LONG-TERM EXPANSION OF THE WASHINGTON COUNTY CONVENTION CENTER AND FOR THE CONSTRUCTION OF A CONVENTION CENTER IN THE DOWNTOWN AREA OF THE CITY OF GREENVILLE; 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 to them in this section unless a different meaning is clearly indicated by the context in which they are used:

(a) "Governing authorities" means the Board of Supervisors of Washington County, Mississippi.

(b) "Hotel," "motel" or "bed and breakfast" means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests and which are known in the trade as such. The term "hotel," "motel" or "bed and breakfast" does not include 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.

(c) "Restaurant" means all places, including hotel and motel dining rooms, cafeterias, cafes, lunch stands, grocery and convenience stands, where prepared food and beverages, including beer and alcoholic beverages, are sold for consumption, whether such food is consumed on the premises or not. The term
"restaurant" 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.

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

SECTION 2. (1) For the purpose of providing funds for the ongoing maintenance, repair and renovation and long-term expansion of the Washington County Convention Center and the construction of a convention center in the downtown area of the City of Greenville, the governing authorities of Washington County are authorized, in their discretion, to levy and collect from the following persons a countywide tax, which shall be in addition to all other taxes and assessments imposed and which shall be levied both within and outside of all municipalities located in the county. The tax shall be on the following persons:

(a) A tax upon every person, firm or corporation operating a hotel, motel or bed and breakfast in Washington County, at a rate not to exceed two percent (2%) of the gross proceeds derived from room rentals; and

(b) A tax upon every person, firm or corporation operating a restaurant in Washington County, at a rate not to exceed two percent (2%) of the gross proceeds of the sales of beer and alcoholic beverages sold for consumption on the premises of such restaurant and the sales of all prepared foods of such restaurant whether consumed on the premises or off the premises of such restaurant.

(2) Persons, firms or corporations liable for the levy imposed under subsection (1) of this section shall add the amount of the levy to the sales price of the rooms and products set out in subsection (1) of this section and 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 manner that state sales taxes are computed, collected and paid; and 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 governing authorities of Washington County, on or before the fifteenth day of the month in which collected. The governing authorities of Washington County shall allocate sixty-six percent (66%) of the proceeds of the tax to the City of Greenville for the construction of a convention center in the downtown area and thirty-four percent (34%) of the proceeds of the tax to defray the costs of the ongoing maintenance, repair and renovation and long-term expansion of the Washington County Convention Center. The governing authorities of the City of Greenville shall, to the greatest extent possible, utilize local contractors and vendors in the construction of the city convention center, with minorities and disadvantaged businesses representing twenty-five percent (25%) to fifty percent (50%) of the total number of contractors and vendors utilized in such construction.

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

SECTION 3. Before the tax authorized by this act may be imposed, the governing authorities of Washington County shall adopt a resolution declaring their intention to levy the tax, setting forth the amount of such tax and establishing the date on which the tax initially shall be levied and collected. Notice of
the proposed tax shall be published once each week for at least
three (3) consecutive weeks in a newspaper having a general
circulation in the county. The first publication of the notice
shall be made not less than twenty-one (21) days before the date
fixed in the resolution on which the tax initially is to be levied
and collected, and the last publication of the notice shall be
made not more than seven (7) days before such date. If, within
the time of giving notice, twenty percent (20%) or fifteen hundred
(1500), whichever is less, of the qualified electors of the
county, file a written petition against the levy of such tax, then
the tax shall not be levied unless authorized by a majority of the
qualified electors of the county, voting at an election to be
called and held for that purpose. At least thirty (30) days
before the effective date of the tax, 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 Washington County. The records reflecting the
receipts and expenditures of the funds prescribed in this act
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 provisions of Sections 1 through 4 shall be
repealed on July 1, 2012.

SECTION 6. The governing authorities of Washington County,
Mississippi, 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 7. 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.