

By: Senator(s) Moffatt, Robertson

To: Local and Private;  
Finance

SENATE BILL NO. 3008

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF  
2 GAUTIER, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS  
3 DERIVED FROM HOTEL AND MOTEL ROOM RENTALS IN THE CITY; TO PROVIDE  
4 FOR A PETITION ELECTION ON THE QUESTION OF IMPOSING SUCH A TAX; TO  
5 PROVIDE THAT THE TAX SHALL BE COLLECTED BY THE STATE TAX  
6 COMMISSION AND PAID TO THE CITY OF GAUTIER; TO PROVIDE THAT THE  
7 PROCEEDS FROM THE TAX SHALL BE USED FOR THE PURPOSE OF PROVIDING  
8 FUNDS FOR TOURISM AND ECONOMIC DEVELOPMENT; 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 meanings ascribed in this section unless otherwise clearly  
13 indicated by the context in which they are used:

14 (a) "Governing authorities" means the governing  
15 authorities of the City of Gautier, Mississippi.

16 (b) "Hotel", "motel" or "bed and breakfast" means any  
17 establishment engaged in the business of furnishing or providing  
18 rooms intended or designed for dwelling, lodging or sleeping  
19 purposes to transient guests and which are known in the trade as  
20 such. The term "hotel", "motel" or "bed and breakfast" does not  
21 include any hospital, convalescent or nursing home or sanitarium,  
22 or any hotel-like facility operated by or in connection with a  
23 hospital or medical clinic providing rooms exclusively for  
24 patients and their families.

25 (c) "Tourism" and "economic development" includes, but  
26 is not limited to, providing for an economic development director  
27 and paying for all associated overhead, supporting activities  
28 related to an economic development council, providing economic  
29 development and tourism advertising and promotion materials,  
30 providing for and/or supporting a small business incubator,



31 providing for and/or supporting business and industrial parks,  
32 financing infrastructure requirements, funding an economic  
33 development bank, supporting tourist attractions and enhancing  
34 industrial or commercial developments.

35         **SECTION 2.** (1) For the purpose of providing funds for  
36 tourism and economic development in the City of Gautier, and for  
37 promoting tourism and economic development, the governing  
38 authorities, in their discretion, are authorized to levy and  
39 collect from every person, firm or corporation operating a hotel  
40 or motel in the city a tax, which shall be in addition to all  
41 other taxes and assessments imposed, which shall not exceed two  
42 percent (2%) of the gross proceeds derived from room rentals of  
43 all such hotels or motels in the city, excluding charges for food,  
44 telephone, laundry, beverages and similar charges. The tax shall  
45 not be levied upon or collected from gross proceeds derived from  
46 room rentals for day meetings where the room does not serve as  
47 overnight sleeping accommodations.

48         (2) Persons, firms or corporations liable for the tax  
49 imposed under subsection (1) of this section shall add the amount  
50 of the tax to the sales price and shall collect, insofar as is  
51 practicable, the amount of the tax due by him from the person  
52 receiving the services or product at the time of payment therefor.

53         (3) Such tax shall be collected by and paid to the State Tax  
54 Commission on a form prescribed by the State Tax Commission in the  
55 same manner that state sales taxes are computed, collected and  
56 paid; and the full enforcement provisions and all other provisions  
57 of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as  
58 necessary to the implementation and administration of this act.

59         (4) The proceeds of such tax, less three percent (3%)  
60 thereof which shall be retained by the State Tax Commission to  
61 defray the costs of collection, shall be paid to the governing  
62 authorities on or before the fifteenth day of the month following  
63 the month in which collected.



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

67 **SECTION 3.** Before the tax authorized by this act may be  
68 imposed, the governing authorities shall adopt a resolution  
69 declaring their intention to levy the tax, setting forth the  
70 amount of such tax and establishing the date on which the tax  
71 initially shall be levied and collected. Notice of the proposed  
72 tax shall be published once each week for at least three (3)  
73 consecutive weeks in a newspaper having a general circulation in  
74 the City of Gautier. The first publication of the notice shall be  
75 made not less than twenty-one (21) days before the date fixed in  
76 the resolution on which the tax initially is to be levied and  
77 collected, and the last publication of the notice shall be made  
78 not more than seven (7) days before such date. If, within the  
79 time of giving notice, twenty percent (20%) or fifteen hundred  
80 (1500), whichever is less, of the qualified electors of the City  
81 of Gautier, file a written petition against the levy of such tax,  
82 then the tax shall not be levied unless authorized by a majority  
83 of the qualified electors of the City of Gautier, voting at an  
84 election to be called and held for that purpose. At least thirty  
85 (30) days before the effective date of the tax, the governing  
86 authorities shall furnish to the State Tax Commission a certified  
87 copy of the resolution evidencing such tax.

88 **SECTION 4.** Accounting for receipts and expenditures of the  
89 funds described in this act shall be made separately from the  
90 accounting of receipts and expenditures of the general fund and  
91 any other funds of the City of Gautier. The records reflecting  
92 the receipts and expenditures of the funds prescribed in this act  
93 shall be audited annually by an independent certified public  
94 accountant, and the accountant shall make a written report of his  
95 audit to the governing authorities. The audit shall be made and  
96 completed as soon as practicable after the close of the fiscal



97 year, and expenses of such audit shall be paid from the funds  
98 derived pursuant to this act.

99         **SECTION 5.** The governing authorities of the City of Gautier,  
100 Mississippi, shall submit this act, immediately upon approval by  
101 the Governor, or upon approval by the Legislature subsequent to a  
102 veto, to the Attorney General of the United States or to the  
103 United States District Court for the District of Columbia in  
104 accordance with the provisions of the Voting Rights Act of 1965,  
105 as amended and extended.

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

