

By: Senator(s) Browning

To: Local and Private;  
Finance

SENATE BILL NO. 3010

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF  
2 PONTOTOC, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS OF  
3 HOTELS AND MOTELS DERIVED FROM ROOM RENTALS AND UPON THE GROSS  
4 PROCEEDS OF SALES OF RESTAURANTS; TO PROVIDE THAT SUCH TAX SHALL  
5 BE COLLECTED BY THE STATE TAX COMMISSION; TO PROVIDE THAT THE  
6 REVENUE RECEIVED BY THE CITY OF PONTOTOC FROM SUCH TAX SHALL BE  
7 EXPENDED TO PROMOTE TOURISM AND TO ENCOURAGE RETIRED PERSONS TO  
8 REMAIN IN OR RELOCATE TO THE PONTOTOC AREA; 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 to them in this section unless a  
13 different meaning is clearly indicated by the context in which  
14 they are used:

15 (a) "Governing authorities" mean the Mayor and Board of  
16 Aldermen of the City of Pontotoc, Mississippi.

17 (b) "Hotel" or "motel" means any establishment engaged  
18 in the business of furnishing or providing six (6) or more rooms  
19 intended or designed for dwelling, lodging or sleeping purposes to  
20 transient guests. The term "hotel" or "motel" does not include  
21 any hospital, convalescent or nursing home or sanitarium, or any  
22 hotel-like facility operated by or in connection with a hospital  
23 or medical clinic providing rooms exclusively for patients and  
24 their families.

25 (c) "Restaurant" means all places where prepared food  
26 and beverages are sold for consumption, whether such food is  
27 consumed on the premises or not. The term "restaurant" does not  
28 include any school, hospital, convalescent or nursing home, or any  
29 restaurant-like facility operated by or in connection with a



30 school, hospital, medical clinic, convalescent or nursing home  
31 providing food for students, patients, visitors or their families.

32         **SECTION 2.** (1) For the purpose of providing funds to  
33 promote tourism and to encourage retired persons to remain in or  
34 relocate to the Pontotoc area, the governing authorities are  
35 authorized, in their discretion, to levy and collect from the  
36 following persons a tax, which shall be in addition to all of the  
37 taxes and assessments imposed. The tax shall be on the following  
38 persons:

39             (a) A tax upon every person, firm or corporation  
40 operating a hotel or motel in the City of Pontotoc, at a rate not  
41 to exceed two percent (2%) of the gross proceeds derived from room  
42 rentals; and

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

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

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

60         (4) The proceeds of such tax, less three percent (3%)  
61 thereof which shall be retained by the State Tax Commission to  
62 defray the cost of collection, shall be paid to the governing



63 authorities, on or before the fifteenth day of the month in which  
64 collected.

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

68 **SECTION 3.** Before the tax authorized by this act may be  
69 imposed, the governing authorities must adopt a resolution  
70 declaring their intention to levy the tax, setting forth the  
71 amount of such tax and establishing the date on which this tax  
72 initially shall be levied and collected. Notice of the tax shall  
73 be published once each week for at least three (3) consecutive  
74 weeks in a newspaper having a general circulation in the City of  
75 Pontotoc, the first publication of which shall be made not less  
76 than twenty-one (21) days before the date on which the tax  
77 initially is to be levied and collected. If, within the time of  
78 giving notice, twenty percent (20%) or fifteen hundred (1,500),  
79 whichever is less, of the qualified electors of the City of  
80 Pontotoc, file a written petition against the levy of such tax,  
81 then such tax shall not be levied unless authorized by a majority  
82 of the qualified electors of the City of Pontotoc voting at an  
83 election to be called and held for that purpose. At least thirty  
84 (30) days before the effective date of the tax, the governing  
85 authorities shall furnish to the State Tax Commission a certified  
86 copy of the resolution evidencing such tax.

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



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

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

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

