

By: Representatives Smith (39th), Chism,
Ellis, Harrison

To: Local and Private
Legislation

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 687

1 AN ACT TO AMEND CHAPTER 870, LOCAL AND PRIVATE LAWS OF 1986,
2 AS LAST AMENDED BY CHAPTER 968, LOCAL AND PRIVATE LAWS OF 2000, TO
3 EXTEND THE REPEALER ON THE AUTHORITY OF THE GOVERNING AUTHORITIES
4 OF THE CITY OF COLUMBUS, MISSISSIPPI, AND THE BOARD OF SUPERVISORS
5 OF LOWNDES COUNTY, MISSISSIPPI, TO LEVY A SPECIAL SALES TAX ON
6 RETAIL SALES OF PREPARED FOOD, BEER AND ALCOHOLIC BEVERAGES FOR
7 THE PURPOSE OF PROVIDING FUNDS FOR THE COLUMBUS-LOWNDES CONVENTION
8 AND VISITOR'S BUREAU; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** Chapter 870, Local and Private Laws of 1986, as
11 amended by Chapter 958, Local and Private Laws of 1997, as amended
12 by Chapter 968, Local and Private Laws of 2000, is amended as
13 follows:

14 Section 1. Whenever used in this act, unless a different
15 meaning clearly appears in the context, the following terms shall
16 have the following meanings:

17 (a) "City" means the City of Columbus, Mississippi.

18 (b) "County" means Lowndes County, Mississippi.

19 (c) "Governing authorities" means the Mayor and City
20 Council of the City of Columbus, Mississippi, and the Board of
21 Supervisors of Lowndes County, Mississippi.

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

24 (e) "Restaurant" means any place where prepared food is
25 sold whether for consumption upon the premises or not and which
26 has annual sales in excess of Three Hundred Twenty-five Thousand
27 Dollars (\$325,000.00).

28 * * *

29 Section 2. (1) The governing authorities are hereby
30 authorized to impose upon persons doing business within the city

31 and county a tax at the rate of two percent (2%) on the gross
32 receipts of restaurants derived from retail sales of prepared
33 food, beer and alcoholic beverages and on the gross proceeds of
34 sales of other businesses derived from retail sales of beer and
35 alcoholic beverages, excluding sales of alcoholic beverages upon
36 premises covered by a package retailer's permit and sales of beer
37 not for consumption on the premises. The governing authorities
38 shall distribute the avails of the tax * * * to the
39 Columbus-Lowndes Convention and Visitor's Bureau.

40 (2) Before the tax authorized by this act may be imposed,
41 the governing authorities shall adopt resolutions declaring their
42 intention to levy the tax and establishing the amount of the tax
43 levy and the date on which this tax initially shall be levied and
44 collected. This date shall be the first day of a month. Notice
45 of the proposed tax levy shall be published once each week for at
46 least three (3) consecutive weeks in a newspaper published or
47 having a general circulation in such city and county. The first
48 publication of such notice shall be made not less than twenty-one
49 (21) days prior to the date fixed in the resolution at which the
50 governing authorities propose to levy such tax and the last
51 publication shall be made not more than seven (7) days prior to
52 such date. If, within the time of giving notice, twenty percent
53 (20%) or fifteen hundred (1500), whichever is less, of the
54 qualified electors of the county shall file a written petition
55 against the levy of such tax then such tax shall not be levied
56 unless authorized by a majority of the qualified electors of such
57 county voting at an election to be called and held for that
58 purpose. Prior to the effective date of the tax levy approved as
59 herein provided, the governing authorities shall furnish to the
60 Chairman of the State Tax Commission a certified copy of the
61 resolutions evidencing such tax levy. The provisions of this
62 section shall not be construed to authorize a levy by the

63 governing authorities of the county upon sales by persons within
64 the city.

65 (3) Persons, firms or corporations liable for the tax
66 imposed herein shall add the amount of tax to the sales price of
67 goods described in subsection (1) of this section and, in addition
68 thereto, shall collect, insofar as practicable, the amount of the
69 tax due by them from the person receiving the goods at the time of
70 payment therefor.

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

77 (5) The proceeds of the tax, less three percent (3%) to be
78 retained by the State Tax Commission to defray the costs of
79 collections, shall be paid to the governing authorities, to be
80 placed into a special fund hereby created separate and apart from
81 any other city or county fund, on or before the fifteenth day of
82 the month following the month in which collected.

83 (6) The tax levied hereunder may be discontinued by an
84 action of either or both of the governing authorities adopting a
85 resolution to that effect. Such resolution shall be effective
86 beginning on the first day of a month designated in the resolution
87 and the tax levy shall not apply to sales made on and after said
88 date. A certified copy of the resolution shall be furnished to
89 the State Tax Commission at least seven (7) days prior to its
90 effective date.

91 Section 3. The provisions of Sections 1 and 2 of this act
92 shall be repealed on July 1, 2007.

93 **SECTION 2.** This act shall take effect and be in force from
94 and after its passage.