

By: Representatives Mayhall, Hamilton (6th),
Jennings, Woods

To: Local and Private
Legislation; Ways and Means

HOUSE BILL NO. 1087

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 HORN LAKE, MISSISSIPPI, TO LEVY A TWO-DOLLAR TAX UPON EACH
3 OVERNIGHT HOTEL AND MOTEL ROOM RENTAL IN THE CITY; TO PROVIDE FOR
4 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 HORN LAKE; TO PROVIDE THAT THE
7 PROCEEDS FROM THE TAX SHALL BE USED FOR THE PURPOSE OF PROMOTING
8 THE ATTRIBUTES OF THE CITY; AND FOR RELATED PURPOSES.

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

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

13 (a) "Governing authorities" means the governing
14 authorities of the City of Horn Lake, Mississippi.

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

23 **SECTION 2.** (1) For the purpose of providing funds to
24 promote the attributes of the City of Horn Lake, Mississippi, and
25 to promote the city's tourism and economic development, the
26 governing authorities of the City of Horn Lake, in their
27 discretion, are authorized to levy and collect from every person,
28 firm or corporation operating a hotel or motel in the city a tax,
29 which shall be in addition to all other taxes and assessments
30 imposed and which shall not exceed Two Dollars (\$2.00) per room

31 rental upon each overnight room rental in all such hotels or
32 motels in the city, excluding charges for food, telephone,
33 laundry, beverages and similar charges. The tax shall not be
34 levied upon or collected on room rentals for day meetings where
35 the room does not serve as overnight sleeping accommodations.

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

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

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

52 (5) The proceeds of such tax shall not be considered by the
53 City of Horn Lake as general fund revenues but shall be dedicated
54 to and expended solely for the purposes specified in this section.

55 **SECTION 3.** Before the tax authorized by this act may be
56 imposed, the governing authorities shall adopt a resolution
57 declaring their intention to levy the tax, setting forth the
58 amount of such tax and establishing the date on which the tax
59 initially shall be levied and collected. Notice of the proposed
60 tax shall be published once each week for at least three (3)
61 consecutive weeks in a newspaper having a general circulation in
62 the City of Horn Lake. The first publication of the notice shall
63 be made not less than twenty-one (21) days before the date fixed

64 in the resolution on which the tax initially is to be levied and
65 collected, and the last publication of the notice shall be made
66 not more than seven (7) days before such date. If, within the
67 time of giving notice, twenty percent (20%) or fifteen hundred
68 (1500), whichever is less, of the qualified electors of the City
69 of Horn Lake, file a written petition against the levy of such
70 tax, then the tax shall not be levied unless authorized by a
71 majority of the qualified electors of the City of Horn Lake,
72 voting at an election to be called and held for that purpose. At
73 least thirty (30) days before the effective date of the tax, the
74 governing authorities shall furnish to the State Tax Commission a
75 certified copy of the resolution evidencing such tax.

76 **SECTION 4.** Accounting for receipts and expenditures of the
77 funds described in this act shall be made separately from the
78 accounting of receipts and expenditures of the general fund and
79 any other funds of the City of Horn Lake. The records reflecting
80 the receipts and expenditures of the funds prescribed in this act
81 shall be audited annually by an independent certified public
82 accountant, and the accountant shall make a written report of his
83 audit to the governing authorities. The audit shall be made and
84 completed as soon as practicable after the close of the fiscal
85 year, and expenses of such audit shall be paid from the funds
86 derived pursuant to this act.

87 **SECTION 5.** The governing authorities of the City of Horn
88 Lake, Mississippi, shall submit this act, immediately upon
89 approval by the Governor, or upon approval by the Legislature
90 subsequent to a veto, to the Attorney General of the United States
91 or to the United States District Court for the District of
92 Columbia in accordance with the provisions of the Voting Rights
93 Act of 1965, as amended and extended.

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