

By: Representatives Holland, Turner

To: Local and Private
Legislation; Ways and Means

HOUSE BILL NO. 1794
(As Sent to Governor)

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 BALDWIN, 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 AND SALES OF PREPARED FOOD AT
5 CONVENIENCE STORES; TO PROVIDE THAT THE TAX SHALL BE COLLECTED BY
6 THE STATE TAX COMMISSION; TO PROVIDE THAT THE REVENUE RECEIVED BY
7 THE CITY OF BALDWIN FROM THE TAX SHALL BE EXPENDED TO PROMOTE
8 TOURISM AND TO ENCOURAGE RETIRED PERSONS TO REMAIN IN OR RELOCATE
9 TO THE BALDWIN AREA; TO PROVIDE FOR A PETITION ELECTION ON WHETHER
10 THE TAX MAY BE LEVIED; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** As used in this act, the following terms shall
13 have the meanings ascribed to them in this section unless a
14 different meaning is clearly indicated by the context in which
15 they are used:

16 (a) "Governing authorities" means the governing
17 authorities of the City of Baldwin, Mississippi.

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

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

32 medical clinic, convalescent or nursing home providing food for
33 students, patients, visitors or their families.

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

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

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

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

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

63 (4) The proceeds of the tax, less three percent (3%) thereof
64 which shall be retained by the State Tax Commission to defray the

65 cost of collection, shall be paid to the governing authorities on
66 or before the fifteenth day of the month following the month in
67 which collected.

68 (5) The proceeds of the tax shall not be considered by the
69 City of Baldwin as general fund revenues but shall be dedicated to
70 and expended solely for the purposes specified in this section.

71 **SECTION 3.** Before the tax authorized by this act may be
72 imposed, the governing authorities shall adopt a resolution
73 declaring their intention to levy the tax, setting forth the
74 amount of such tax and establishing the date on which the tax
75 initially shall be levied and collected. Notice of the proposed
76 tax shall be published once each week for at least three (3)
77 consecutive weeks in a newspaper having a general circulation in
78 the City of Baldwin. The first publication of the notice shall be
79 made not less than twenty-one (21) days before the date fixed in
80 the resolution on which the tax initially is to be levied and
81 collected, and the last publication of the notice shall be made
82 not more than seven (7) days before such date. If, within the
83 time of giving notice, twenty percent (20%) or fifteen hundred
84 (1500), whichever is less, of the qualified electors of the City
85 of Baldwin, file a written petition against the levy of such tax,
86 then the tax shall not be levied unless authorized by a sixty
87 percent (60%) majority of the qualified electors of the City of
88 Baldwin, voting at an election to be called and held for that
89 purpose. At least thirty (30) days before the effective date of
90 the tax, the governing authorities shall furnish to the State Tax
91 Commission a certified copy of the resolution evidencing such tax.

92 **SECTION 4.** Accounting for receipts and expenditures of the
93 funds described in this act must be made separately from the
94 accounting of receipts and expenditures of the general fund and
95 any other funds of the City of Baldwin. The records reflecting
96 the receipts and expenditures of the funds prescribed in this act
97 shall be audited annually by an independent certified public

98 accountant, and the accountant shall make a written report of his
99 audit to the governing authorities. The audit shall be made and
100 completed as soon as practicable after the close of the fiscal
101 year, and expenses of such audit shall be paid from the funds
102 derived under this act.

103 **SECTION 5.** The provisions of this act shall be repealed from
104 and after July 1, 2008.

105 **SECTION 6.** The governing authorities are directed to submit
106 this act, immediately upon approval by the Governor, or upon
107 approval by the Legislature subsequent to a veto, to the Attorney
108 General of the United States or to the United States District
109 Court for the District of Columbia in accordance with the
110 provisions of the Voting Rights Act of 1965, as amended and
111 extended.

112 **SECTION 7.** This act shall take effect and be in force from
113 and after the date it is effectuated under Section 5 of the Voting
114 Rights Act of 1965, as amended and extended.