

By: Senator(s) Brown

To: Local and Private

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3202

1 AN ACT TO AMEND CHAPTER 870, LOCAL AND PRIVATE LAWS OF 1986,
2 AS AMENDED BY CHAPTER 958, LOCAL AND PRIVATE LAWS OF 1997, AS
3 AMENDED BY CHAPTER 968, LOCAL AND PRIVATE LAWS OF 2000, TO EXTEND
4 UNTIL JULY 1, 2008, THE REPEAL DATE ON THE PROVISIONS OF LAW THAT
5 AUTHORIZE THE MAYOR AND CITY COUNCIL OF THE CITY OF COLUMBUS,
6 MISSISSIPPI, AND THE BOARD OF SUPERVISORS OF LOWNDES COUNTY,
7 MISSISSIPPI, TO LEVY A TAX ON RETAIL SALES OF BEER, ALCOHOLIC
8 BEVERAGES AND PREPARED FOOD SOLD BY RESTAURANTS; AND FOR RELATED
9 PURPOSES.

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

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

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

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

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

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

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

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

29 * * *

30 Section 2. (1) The governing authorities are hereby
31 authorized to impose upon persons doing business within the city
32 and county a tax at the rate of two percent (2%) on the gross
33 receipts of restaurants derived from retail sales of prepared
34 food, beer and alcoholic beverages and on the gross proceeds of
35 sales of other businesses derived from retail sales of beer and
36 alcoholic beverages, excluding sales of alcoholic beverages upon
37 premises covered by a package retailer's permit and sales of beer
38 not for consumption on the premises. The governing authorities
39 shall distribute the avails of the tax in the manner provided in
40 this subsection (1). The proceeds of the tax * * * shall be
41 distributed to the Columbus-Lowndes Convention and Visitor's
42 Bureau.

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

63 Chairman of the State Tax Commission a certified copy of the
64 resolutions evidencing such tax levy. The provisions of this
65 section shall not be construed to authorize a levy by the
66 governing authorities of the county upon sales by persons within
67 the city.

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

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

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

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

94 Section 3. The provisions of Sections 1 and 2 of this act
95 shall be repealed on July 1, 2008.

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