

By: Representatives Young, Robinson (84th),
Snowden

To: Local and Private
Legislation; Ways and Means

HOUSE BILL NO. 1770
(As Passed the House)

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 MERIDIAN, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS SALES OF
3 RESTAURANTS IN AN AMOUNT NOT TO EXCEED TWO PERCENT OF GROSS SALES;
4 TO PROVIDE THAT SUCH TAX SHALL BE COLLECTED BY THE STATE TAX
5 COMMISSION AND PAID TO THE CITY OF MERIDIAN; TO PROVIDE THAT THE
6 PORTION OF THE PROCEEDS RECEIVED BY THE CITY OF MERIDIAN SHALL BE
7 USED TO PAY THE DEBT SERVICE ON BONDS ISSUED BY THE CITY OF
8 MERIDIAN AND THAT ANY PROCEEDS IN EXCESS OF THE AMOUNT NECESSARY
9 TO PAY THE DEBT SERVICE MAY BE USED FOR THE SAME PURPOSES AS BONDS
10 AUTHORIZED UNDER THIS ACT; TO AUTHORIZE THE CITY OF MERIDIAN TO
11 ISSUE GENERAL OBLIGATION BONDS FOR THE PURPOSE OF DEFRAYING THE
12 PLANNED CONSTRUCTION, EQUIPPING AND FURNISHING OF THE SOUTHERN
13 ARTS AND ENTERTAINMENT CENTER, INCLUDING A CONFERENCE CENTER, A
14 PERFORMING ARTS THEATER, AN AMPHITHEATER AND AN ARTISTS' VILLAGE;
15 AND FOR RELATED PURPOSES.

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

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

21 (a) "City" means the City of Meridian, Mississippi.

22 (b) "Governing authorities" means the governing
23 authorities of the City of Meridian, Mississippi.

24 (c) "Restaurant" means all places within the corporate
25 limits of the city where prepared food and beverages are sold for
26 consumption, whether such food is consumed on the premises or not.
27 The term "restaurant" does not include any school, hospital,
28 convalescent or nursing home, or any restaurant-like facility
29 operated by or in connection with a school, hospital, medical
30 clinic, convalescent or nursing home providing food for students,
31 patients, visitors or their families.

32 **SECTION 2.** (1) Before the issuance of bonds provided for in
33 this act, the governing authorities shall levy, assess and collect

34 from every person, firm, corporation or other entity operating a
35 restaurant in the city, a tax, in addition to all other taxes or
36 assessments now imposed, which shall be equal to two percent (2%)
37 of the gross proceeds of the sales of prepared food and beverages.

38 (2) Persons, firms, corporations or other entities liable
39 for the tax imposed by subsection (1) of this section shall add
40 the amount of such tax to the sales price of the food and
41 beverages set out in subsection (1) of this section and shall
42 collect, insofar as practicable, the amount of the tax due from
43 the person purchasing the food or beverages at the time of payment
44 therefor.

45 **SECTION 3.** Before any tax authorized under Section 2 of this
46 act may be imposed, the governing authorities shall adopt a
47 resolution declaring its intention to levy the taxes, setting
48 forth the amount of such tax to be imposed, the date upon which
49 such taxes shall become effective, calling for a referendum to be
50 held on the question and establishing the date of the referendum.
51 Notice of such intention shall be published once each week for at
52 least three (3) consecutive weeks in a newspaper published or
53 having a general circulation in the city, with the first
54 publication of such notice to be made not less than twenty-one
55 (21) days before the date fixed in the resolution for the
56 referendum and the last publication to be made not more than seven
57 (7) days before the referendum. At the referendum, all qualified
58 electors of the city may vote, and the ballots used in such
59 referendum shall have printed thereon a brief statement of the
60 amount and purposes of the proposed tax levy and the words "FOR
61 THE FOOD AND BEVERAGE TAX TO FUND CONSTRUCTION AND OPERATION OF
62 THE SOUTHERN ARTS AND ENTERTAINMENT CENTER" and, on a separate
63 line, "AGAINST THE FOOD AND BEVERAGE TAX TO FUND CONSTRUCTION AND
64 OPERATION OF THE SOUTHERN ARTS AND ENTERTAINMENT CENTER," and the
65 voters shall vote by placing a cross (X) or check (✓) opposite
66 their choice on the proposition. When the results of any such

67 referendum shall have been canvassed by the election commission
68 and certified, the city may levy the taxes beginning on the first
69 day of the second month following the referendum, only if at least
70 sixty percent (60%) of the qualified electors who vote in the
71 election vote in favor of the tax. No public funds shall be used
72 for the purpose of promoting the adoption of the referendum and no
73 employee of the city, other than elected public officials, may
74 promote the referendum during business hours.

75 **SECTION 4.** (1) On or before the fifteenth day of the month
76 before the imposition of the tax authorized in Section 2 of this
77 act, the governing authorities shall give written notification to
78 the Chairman of the State Tax Commission of the date on which the
79 tax will become effective.

80 (2) The tax shall be collected by and paid to the State Tax
81 Commission in the same manner as state sales taxes are computed,
82 collected and paid, and full enforcement provisions and all other
83 provisions of Chapter 65, Title 27, Mississippi Code of 1972,
84 shall apply as necessary to the implementation of this act.

85 (3) Except as otherwise provided in Section 27-3-58, the
86 revenue from the special tax collected under the provisions of
87 this section during the preceding month shall be paid to the city
88 on or before the fifteenth day of each month.

89 (4) The proceeds of such tax shall be placed into a special
90 fund apart from the city general fund and any other funds of the
91 city, and shall be expended by the city strictly in accordance
92 with the following priority:

93 (a) Firstly, for the scheduled debt service on the
94 bonds issued under this act;

95 (b) Secondly, to the extent that the proceeds of the
96 tax exceed the amount necessary to satisfy the debt service
97 required under paragraph (a) of this subsection, for expenses
98 related to the same purposes for which proceeds from the issuance

99 of bonds under this act may be expended under Section 5 of this
100 act.

101 (5) The tax imposed by Section 2 of this act shall stand
102 repealed on the first day of the month immediately succeeding the
103 date the payment of the principal of, redemption premium, if any,
104 and interest on the bonds issued under this act have been paid in
105 full.

106 (6) Any money remaining in the special fund after the
107 payment of the principal of, redemption premium, if any, and
108 interest on the bonds issued under this act have been paid in full
109 shall be transferred to the city, placed into a special fund apart
110 from the city general fund, and may be expended, upon approval of
111 the governing authorities, only for the operation, support,
112 repair, maintenance and improvement of the Southern Arts and
113 Entertainment Center and related facilities and structures as
114 described in Section 39-25-1, Mississippi Code of 1972.

115 **SECTION 5.** The proceeds of the bonds issued under this act
116 shall be used alone, or in combination with other funds from
117 whatever source, public or private, to defray the planned
118 construction, equipping and furnishing of the Southern Arts and
119 Entertainment Center, including a conference center, a performing
120 arts theater, an amphitheater and an artists' village, as
121 authorized under Section 39-25-1.

122 **SECTION 6.** The governing authorities are authorized and
123 empowered, in their discretion, to issue general obligation bonds
124 of the city in the aggregate principal amount not to exceed Twenty
125 Million Dollars (\$20,000,000.00) for the purposes provided for in
126 Section 5 of this act. As used in this act, "bonds" shall be
127 deemed to mean and include bonds, refunding bonds, notes or
128 certificates of participation. The full faith and credit of the
129 city shall be irrevocably pledged for the payment of the principal
130 of and interest on the bonds.

131 **SECTION 7.** Bonds authorized by this act, other than
132 refunding bonds, shall be issued under Sections 21-33-301 through
133 21-33-329, or as may be otherwise provided by law; however, no
134 election shall be held under the provisions of Sections 21-33-307
135 through 21-33-311, upon the question of the issuance of bonds
136 authorized under this act.

137 **SECTION 8.** Bonds issued under this act shall not be deemed
138 indebtedness within the meaning of Section 21-33-303. Bonds
139 issued under this act shall be submitted by validation under
140 Sections 31-13-1 through 31-13-11.

141 **SECTION 9.** Bonds issued under this act may be refunded at
142 any time and from time to time by the city under an authorizing
143 resolution of the governing authorities, directing issuance of
144 refunding bonds in accordance with the "Mississippi Bond
145 Refinancing Act" (Section 31-27-1 et seq., Mississippi Code of
146 1972).

147 **SECTION 10.** This act shall be liberally construed for the
148 purposes herein set out, the power hereby granted shall be deemed
149 to be full and complete authority for the issuance of bonds under
150 this act and shall be construed as additional, cumulative and
151 supplemental to any power granted to the city by any general or
152 local and private act of the Legislature.

153 **SECTION 11.** The governing authorities of the City of
154 Meridian shall submit this act, immediately upon approval by the
155 Governor, or upon approval by the Legislature subsequent to a
156 veto, to the Attorney General of the United States or to the
157 United States District Court for the District of Columbia in
158 accordance with the provisions of the Voting Rights Act of 1965,
159 as amended and extended.

160 **SECTION 12.** This act shall take effect and be in force from
161 and after the date it is effectuated under Section 5 of the Voting
162 Rights Act of 1965, as amended and extended.