

By: Senator(s) Hewes, Gollott, Cuevas,
Dawkins

To: Local and Private;
Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3107

1 AN ACT TO AMEND SECTIONS 1 THROUGH 12 OF CHAPTER 1012, LOCAL
2 AND PRIVATE LAWS OF 2004, TO REVISE THE DEFINITION OF THE TERM
3 "HOTEL" OR "MOTEL" UNDER THE LAW THAT AUTHORIZES THE BOARD OF
4 SUPERVISORS OF HARRISON COUNTY TO IMPOSE A SPECIAL TAX ON THE
5 GROSS PROCEEDS OF ROOM RENTALS OF HOTELS OR MOTELS; TO REQUIRE
6 PERSONS, FIRMS OR CORPORATIONS ENGAGED IN THE BUSINESS OF
7 OPERATING A HOTEL OR MOTEL TO APPLY FOR AND OBTAIN A TAX
8 IDENTIFICATION NUMBER FROM THE STATE TAX COMMISSION; AND FOR
9 RELATED PURPOSES.

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

11 **SECTION 1.** Sections 1 through 12 of Chapter 1012, Local and
12 Private Laws of 2004, are amended as follows:

13 Section 1. For the purposes of Sections 1 through 12 of this
14 act:

15 (a) "Board of supervisors" means the Board of
16 Supervisors of Harrison County, Mississippi.

17 (b) "County" means Harrison County, Mississippi.

18 (c) "Hotel" or "motel" means and includes any
19 establishment engaged in the business of furnishing or providing
20 six (6) or more * * * rooms intended or designed for dwelling,
21 lodging or sleeping purposes that at any one time will accommodate
22 transient guests on a daily or weekly basis and that are known to
23 the trade as such, and shall include every building or other
24 structure kept, used, maintained or advertised as, or held out to
25 the public to be, a place where sleeping accommodations are
26 supplied for pay or other consideration to transient or permanent
27 guests or tenants that have not entered into a bona fide written
28 lease for a term of more than ninety (90) consecutive days,
29 whether the establishment is known as a hotel, apartment hotel,
30 condominium, cooperative housing, time-share, bed and breakfast,

31 rooming house, recreational vehicle park, cabin, inn, tavern,
32 club, resort, tourist home, tourist court, motel, court, motor
33 court, motor lodge or by any other similar term, regardless of the
34 number of rooms, lots, units, suites, spaces or cabins available.
35 Nursing homes or institutions for the aged or infirm, as defined
36 in Section 43-11-1, and personal care homes shall be excluded from
37 the definition of the term "hotel" or "motel."

38 Section 2. (1) Before the issuance of bonds provided for in
39 Section 6 of this act, the board of supervisors shall levy, assess
40 and collect from every person, firm, corporation or other entity
41 operating hotels or motels in the county, a tax, in addition to
42 all other taxes or assessments now imposed, which shall be equal
43 to two percent (2%) of the gross proceeds from room rentals of all
44 hotels or motels in the county.

45 (2) Persons, firms, corporations or other entities liable
46 for the tax imposed by subsection (1) of this section shall add
47 the amount of such tax to the room rental and in addition thereto
48 shall collect, insofar as practicable, the amount of the tax due
49 from the person renting the room at the time of payment therefor.

50 (3) Any person, firm or corporation engaged in the business
51 of operating a hotel or motel shall apply for and obtain a tax
52 identification number from the State Tax Commission. The
53 application shall list the number of rooms in the hotel or motel,
54 address of the rooms and the owner of the rooms.

55 Section 3. (1) Before any tax authorized under Sections 1
56 through 12 of this act may be imposed, the governing authorities
57 shall adopt a resolution declaring its intention to levy the
58 taxes, setting forth the amount of such tax to be imposed, the
59 date upon which such taxes shall become effective and calling for
60 a referendum to be held on the question. The date of the
61 referendum shall be the first Tuesday after the first Monday in
62 November 2004. Notice of such intention shall be published once
63 each week for at least three (3) consecutive weeks in a newspaper

64 published or having a general circulation in the county, with the
65 first publication of such notice to be made not less than
66 twenty-one (21) days before the date fixed in the resolution for
67 the referendum and the last publication to be made not more than
68 seven (7) days before the referendum. At the referendum, all
69 qualified electors of the county may vote, and the ballots used in
70 such referendum shall have printed thereon a brief statement of
71 the amount and purposes of the proposed tax levy and the words
72 "FOR THE HOTEL-MOTEL TAX TO FUND THE IMPROVEMENT AND EXPANSION OF
73 THE MISSISSIPPI COAST COLISEUM AND CONVENTION CENTER" and, on a
74 separate line, "AGAINST THE HOTEL-MOTEL TAX TO FUND THE
75 IMPROVEMENT AND EXPANSION OF THE MISSISSIPPI COAST COLISEUM AND
76 CONVENTION CENTER", and the voters shall vote by placing a cross
77 (X) or check (✓) opposite their choice on the proposition. When
78 the results of any such referendum shall have been canvassed by
79 the election commission and certified, the county may levy the
80 taxes beginning on the first day of the second month following the
81 referendum, only if at least sixty percent (60%) of the qualified
82 electors who vote in the election vote in favor of the tax. No
83 public funds shall be used for the purpose of promoting the
84 adoption of the referendum and no employee of the county or any
85 city located in the county, other than elected public officials,
86 may promote the referendum during business hours.

87 (2) If a referendum has been held under the provisions of
88 subsection (1) of this section, and the authority of the county to
89 impose the convention center taxes has been denied by the electors
90 of the county, a subsequent referendum on the issue may be held on
91 the first Tuesday after the first Monday in November 2006. If a
92 second referendum is held, and the authority to impose the
93 convention center taxes has been denied again by the electors of
94 the county, no further referendum may be held.

95 Section 4. (1) On or before the fifteenth day of the month
96 prior to the imposition of the tax authorized in Section 2 of this

97 act, the board of supervisors shall give written notification to
98 the Chairman of the State Tax Commission of the date on which the
99 tax will become effective.

100 (2) The tax shall be collected by and paid to the State Tax
101 Commission in the same manner as state sales taxes are computed,
102 collected and paid, and full enforcement provisions and all other
103 provisions of Chapter 65, Title 27, Mississippi Code of 1972,
104 shall apply as necessary to the implementation of Sections 1
105 through 12 of this act.

106 (3) Except as otherwise provided in Section 27-3-58, the
107 revenue from the special tax collected under the provisions of
108 this section during the preceding month shall be paid to the
109 county on or before the fifteenth day of each month.

110 (4) The proceeds of such taxes shall be placed into a
111 separate fund apart from the county general fund and any other
112 funds of the county, and shall be expended by the county as
113 provided in Section 10(1) of this act.

114 (5) The tax imposed by Sections 1 through 12 of this act
115 shall stand repealed on the first day of the month immediately
116 succeeding the date the payment of the principal of, redemption
117 premium, if any, and interest on the bonds issued pursuant to
118 Sections 1 through 12 of this act have been paid in full. Any
119 revenue from the tax remaining after the payment of the principal
120 of, redemption premium, if any, and interest on the bonds issued
121 pursuant to Sections 1 through 12 of this act have been paid in
122 full shall be transferred to the county general fund.

123 Section 5. The proceeds of the bonds issued pursuant to
124 Sections 1 through 12 of this act shall be utilized:

125 (a) For the purpose of defraying the cost of
126 constructing, repairing, equipping, remodeling, enlarging,
127 expanding or improving the Mississippi Coast Coliseum and
128 Convention Center; and

129 (b) To retire bonds issued by the county after May 1,
130 1995, but prior to the effective date of this act, to defray the
131 cost of expanding the Mississippi Coast Coliseum and Convention
132 Center.

133 Section 6. The board of supervisors is authorized and
134 empowered, in its discretion, to issue general obligation bonds of
135 the county in the aggregate principal amount not to exceed
136 Sixty-eight Million Dollars (\$68,000,000.00) for the purposes
137 provided for in Section 5 of this act. As used in Sections 1
138 through 12 of this act, "bonds" shall be deemed to mean and
139 include bonds, refunding bonds, notes or certificates of
140 participation. The full faith and credit of the county shall be
141 irrevocably pledged for the payment of the principal of and
142 interest on the bonds.

143 Section 7. Bonds authorized by Sections 1 through 12 of this
144 act, other than refunding bonds, shall be issued pursuant to
145 Sections 19-9-1 through 19-9-31 or as may be otherwise provided by
146 law; however, no election shall be held under the provisions of
147 Sections 19-9-1 through 19-9-31, upon the question of the issuance
148 of bonds authorized under Sections 1 through 12 of this act.

149 Section 8. Bonds issued pursuant to Sections 1 through 12 of
150 this act shall not be deemed indebtedness within the meaning of
151 Section 19-9-5. Bonds issued pursuant to Sections 1 through 12 of
152 this act shall be submitted by validation under Sections 31-13-1
153 through 31-13-11.

154 Section 9. Bonds issued under Sections 1 through 12 of this
155 act may be refunded at any time and from time to time by the
156 county pursuant to an authorizing resolution of the board of
157 supervisors, directing issuance of refunding bonds in accordance
158 with the "Mississippi Bond Refinancing Act" (Section 31-27-1 et
159 seq., Mississippi Code of 1972).

160 Section 10. (1) The avails of the tax provided for in
161 Sections 1 through 12 of this act shall be used solely for the

162 payment of the principal of, redemption premium, if any, and
163 interest on the bonds, and for the payment of expenses of issuance
164 thereof or reserve funds therefor.

165 (2) To the extent the proceeds of the tax provided for in
166 Sections 1 through 12 of this act and any other amounts which may,
167 from time to time, be available for the payment of the principal
168 of, redemption premium, if any, and interest on the bonds,
169 including any available revenues of the project, are not
170 sufficient for such purpose, the board of supervisors shall levy a
171 special ad valorem tax upon all of the taxable property within the
172 county which shall be sufficient, together with other money
173 available for such purpose, to provide for the payment of the
174 principal of, redemption premium, if any, and interest on such
175 bonds according to the terms thereof.

176 Section 11. Sections 1 through 12 of this act shall be
177 liberally construed for the purposes herein set out, the power
178 hereby granted shall be deemed to be full and complete authority
179 for the issuance of bonds under Sections 1 through 12 of this act
180 and shall be construed as additional, cumulative and supplemental
181 to any power granted to the county by any general or local and
182 private act of the Legislature.

183 Section 12. The provisions of Sections 1 through 12 of this
184 act shall be repealed in the event that two (2) referenda on the
185 question of imposing convention center taxes have been denied by
186 the electors of the county. If this event occurs, the Circuit
187 Clerk of Harrison County shall notify the Chairmen of the Local
188 and Private Committees of the House of Representatives and Senate
189 of the Mississippi State Legislature.

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