

By: Representatives Thomas, Huddleston,  
Norquist, Espy

To: Local and Private  
Legislation; Ways and Means

HOUSE BILL NO. 1756  
(As Passed the House)

1        AN ACT TO EXTEND THE REPEAL DATE UNTIL JULY 1, 2011, ON THE  
2        LAW THAT CREATES THE INDIANOLA TOURISM COMMISSION, PROVIDES FOR  
3        THE COMPOSITION OF THE COMMISSION, PRESCRIBES THE POWERS AND  
4        DUTIES OF THE COMMISSION AND AUTHORIZES THE GOVERNING AUTHORITIES  
5        TO LEVY A TAX TO FUND THE COMMISSION; AND FOR RELATED PURPOSES.

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

7        **SECTION 1.** Chapter 931, Local and Private Laws of 2003, is  
8        amended as follows:

9        Section 1. For the purposes of this act, the following terms  
10       shall have the following meanings:

11                (a) "Bar" means any bar, tavern or lounge where  
12       alcoholic beverages are sold for consumption on the premises;

13                (b) "Commission" means the Indianola Tourism  
14       Commission;

15                (c) "City" means the City of Indianola, Mississippi;

16                (d) "Governing authorities" means the Mayor and Board  
17       of Aldermen of the City of Indianola;

18                (e) "Hotel" or "motel" means any establishment engaged  
19       in the business of furnishing or providing rooms intended or  
20       designed for lodging or sleeping purposes for transient guests,  
21       which establishment consists of ten (10) or more guest rooms and  
22       does not encompass any hospital, convalescent or nursing home or  
23       sanitarium, or any hotel-like facility operated by or in  
24       connection with a hospital or medical clinic providing rooms  
25       exclusively for patients and their families;

26                (f) "Prepared food" means food prepared on the premises  
27       of a restaurant; and

28           (g) "Restaurant" means any place, including hotel and  
29 motel dining rooms, cafeterias, cafes and lunch stands, where  
30 prepared food and drink are sold for consumption either upon or  
31 off the premises.

32           Section 2. (1) There is created the Indianola Tourism  
33 Commission which shall be domiciled in Indianola, Mississippi.  
34 The commission shall function in an advisory capacity as a part of  
35 the executive branch of the municipal government of the City of  
36 Indianola and shall study and advise the executive branch in the  
37 areas of promoting conventions and tourism. The commission may  
38 carry out other tasks as the mayor, by executive order, may assign  
39 to it from time to time. The city attorney shall be the attorney  
40 for the commission.

41           (2) The commission shall be composed of the following  
42 members:

43           (a) One (1) member from each of the five (5) wards in  
44 the city to be chosen by the board of aldermen. The mayor may  
45 nominate persons and each alderman may nominate one (1) person  
46 from his or her ward;

47           (b) A member of the executive committee of the  
48 Indianola Chamber of Commerce selected by the executive committee,  
49 who shall serve as an ex officio voting member;

50           (c) A member of the Board of B.B. King Museum  
51 Foundation, to be selected by that board, who shall serve as an ex  
52 officio voting member;

53           (d) A representative of the owners of hotels/motels  
54 operating within the City of Indianola to be chosen by the board  
55 of aldermen. The mayor may nominate a person and each alderman  
56 may nominate a person from his or her ward; and

57           (e) A representative of the owners of restaurants and  
58 bars operating within the City of Indianola to be chosen by the  
59 board of aldermen. The mayor may nominate a person and each  
60 alderman may nominate a person from his or her ward.

61           (3) The five (5) appointed members of the commission who  
62 represent the five (5) city wards and the two (2) members  
63 appointed to represent the hotel/motel owners and restaurant/bar  
64 owners shall each serve a one-year term of office beginning and  
65 ending on dates established by the board of aldermen. The members  
66 from the Chamber of Commerce and the B.B. King Museum Foundation  
67 shall serve so long as they hold their respective positions with  
68 the organization they represent. Vacancies on the council shall  
69 be filled in the same manner as the original appointment for the  
70 unexpired term.

71           (4) Any member may be disqualified and removed from office  
72 for conviction of a felony or for failure to attend three (3)  
73 consecutive meetings without just cause.

74           (5) Before entering on the duties of office, each member  
75 shall enter into and give bond to be approved by the Secretary of  
76 State in the sum of Twenty-Five Thousand Dollars (\$25,000.00),  
77 conditioned on the satisfactory performance of his duties. This  
78 bond premium shall be paid from the commission's funds. Such bond  
79 shall be payable to the county and in the event of a breach  
80 thereof, suit may be brought by the county for the benefit of the  
81 council.

82           (6) When the members of the commission have been appointed  
83 and qualified, they shall meet in the City of Indianola after  
84 giving not less than ten (10) days' notice of the time and place  
85 of the meeting by registered mail, postage prepaid, directed to  
86 each member of the commission at his regular address at the time  
87 of his qualification and posting bond. The notice shall be given  
88 by the Mayor of Indianola. The notice of such meeting may be  
89 waived if all members sign a written waiver of notice. Any waiver  
90 shall be attached to the minutes of the meeting.

91           (7) The members shall elect from among themselves a  
92 chairman. The chairman of the commission shall serve a term of  
93 not more than one (1) year, with the first election to be held at

94 the first scheduled meeting after the members are appointed and  
95 subsequent elections shall be held annually thereafter. The  
96 person elected as chairman may serve consecutive terms. The  
97 commission shall elect from its membership a vice chairman,  
98 secretary and treasurer. The offices of secretary and treasurer  
99 may be combined, if the commission elects. The commission may  
100 promulgate and adopt bylaws governing its operations and  
101 procedures. Five (5) members shall constitute a quorum for the  
102 transaction of any business of the commission.

103 Section 3. The council shall be domiciled in the City of  
104 Indianola, Mississippi, and shall have the following powers:

105 (a) To exercise authority over matters related to  
106 establishing, promoting and developing tourism and economic  
107 development within the City of Indianola;

108 (b) To acquire, own, lease, furnish, equip, staff and  
109 operate any and all facilities and equipment necessary or useful  
110 in the promotion of tourism and economic development within the  
111 city;

112 (c) To receive and expend revenues from any sources;

113 (d) To own, lease or contract for any equipment or  
114 office space useful and necessary in the promotion of tourism and  
115 economic development;

116 (e) To sell, convey or otherwise dispose of all or any  
117 part of its property and assets in accordance with the general  
118 laws of the State of Mississippi providing for such disposal;

119 (f) To contribute funds for the operation of any  
120 visitor information center in the designated area for the repair,  
121 restoration and maintenance of buildings and grounds owned by  
122 governmental entities and nonprofit corporations which would tend  
123 to promote tourism or economic development in the city and the  
124 county; and

125           (g) To have and exercise all powers necessary or  
126 convenient to effect any and all of the purposes for which the  
127 council is organized.

128           Section 4. (1) For the purpose of providing funds for the  
129 promotion of tourism and economic development in the City of  
130 Indianola, the governing authorities of the City of Indianola,  
131 Mississippi, are authorized, in their discretion, to levy and  
132 collect a tax upon every person, firm or corporation operating a  
133 hotel or motel in the City of Indianola, Mississippi, which shall  
134 be in addition to all other taxes and assessments imposed, which  
135 shall not exceed two percent (2%) of the gross proceeds of sales  
136 derived from room rentals of such hotels or motels.

137           (2) In addition to the authority in subsection (1) of this  
138 section, the governing authorities of the City of Indianola,  
139 Mississippi, are authorized, in their discretion, to levy and  
140 collect a tax upon every person, firm or corporation operating a  
141 restaurant or bar in the City of Indianola, Mississippi, which  
142 shall be in addition to all other taxes and assessments imposed,  
143 which shall not exceed two percent (2%) of the gross proceeds of  
144 restaurant sales of prepared food, beer or any other alcoholic  
145 beverage.

146           (3) Persons, firms or corporations liable for the tax  
147 imposed under subsections (1) and (2) of this section shall add  
148 the amount of the tax to the sales price and shall collect,  
149 insofar as is practicable, the amount of the tax due by him from  
150 the person receiving the services or product at the time of  
151 payment.

152           (4) Such tax shall be collected by and paid to the State Tax  
153 Commission on a form prescribed by the State Tax Commission in the  
154 same manner that state sales taxes are computed, collected and  
155 paid; and the full enforcement provisions and all other provisions  
156 of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as  
157 necessary to the implementation and administration of this act.

158           (5) The proceeds of the tax, less three percent (3%) which  
159 shall be retained by the State Tax Commission to defray the costs  
160 of collection, shall be paid to the governing authorities on or  
161 before the fifteenth day of the month following the month in which  
162 they are collected.

163           (6) The proceeds of the tax shall not be considered by the  
164 City of Indianola as general fund revenues but shall be dedicated  
165 to and expended solely for the purposes specified in this section.

166           (7) The tax may be discontinued by the adoption of a  
167 resolution to that effect by the Mayor and Board of Aldermen of  
168 the City of Indianola. The resolution shall be effective on the  
169 last day of a month and a certified copy of such resolution shall  
170 be furnished to the Chairman of the State Tax Commission.

171           Section 5. Before the tax authorized by this act may be  
172 imposed, the governing authorities shall adopt a resolution  
173 declaring their intention to levy the tax, setting forth the  
174 amount of such tax and establishing the date on which the tax  
175 initially shall be levied and collected. Notice of the proposed  
176 tax shall be published once each week for at least three (3)  
177 consecutive weeks in a newspaper having a general circulation in  
178 the City of Indianola. The advertisement shall be no less than  
179 one-fourth (1/4) page in size and the type shall be no smaller  
180 than eighteen (18) point and surrounded by a one-fourth inch  
181 (1/4") solid black border. The first publication of the notice  
182 shall be made not less than twenty-one (21) days before the date  
183 fixed in the resolution on which the tax initially is to be levied  
184 and collected, and the last publication of the notice shall be  
185 made not more than seven (7) days before the date. If, within the  
186 time of giving notice, twenty percent (20%) or fifteen hundred  
187 (1500), whichever is less, of the qualified electors of the City  
188 of Indianola file a written petition against the levy of the tax,  
189 then the tax shall not be levied unless authorized by a majority  
190 of the qualified electors of the City of Indianola, voting at an

191 election to be called and held for that purpose. At least thirty  
192 (30) days before the effective date of the tax, the governing  
193 authorities shall furnish to the State Tax Commission a certified  
194 copy of the resolution evidencing such tax.

195 Section 6. (1) The commission annually shall adopt a budget  
196 of receipts and expenditures. The first budget of receipts and  
197 expenditures shall be prepared and adopted by the commission  
198 within thirty (30) days after the election of its first chairman  
199 and, upon approval by the Mayor and Board of Aldermen of the City  
200 of Indianola, the budget shall constitute the budget for the  
201 remainder of the current fiscal year. Thereafter, the budget  
202 shall be on the same fiscal year basis as the budget of the city.  
203 The annual proposed budget of the council shall be submitted to  
204 the Mayor and Board of Aldermen of the City of Indianola for  
205 review and, upon approval by the mayor and board of aldermen, such  
206 budget shall constitute the budget of the commission for that  
207 fiscal year.

208 (2) The commission may borrow money to pay its operating  
209 obligations that cannot be paid at maturity out of current revenue  
210 from the tax authorized in this act, but the amount so borrowed  
211 shall in no case exceed the estimated income of the commission as  
212 shown by the budget adopted prior to that time, and the tax income  
213 of the commission, as shown by the budget, shall be dedicated and  
214 set aside to the payment of the indebtedness.

215 (3) The books of the council shall be audited annually by an  
216 independent certified public accountant who shall make a written  
217 report of his audit to the council and submit a copy of such  
218 report to the governing authorities of the City of Indianola and  
219 the State Department of Audit. Such audit shall be made and  
220 completed as soon as practicable after the close of the fiscal  
221 year and copies of the report of the audit shall be filed with the  
222 city and State Department of Audit within fifteen (15) days after  
223 receipt by the council.

224           Section 7. This act shall be repealed from and after July 1,  
225 2011.

226           Section 8. This act shall take effect and be in force from  
227 and after its passage.

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