

By: Senator(s) Thames, Pickering, Posey

To: Local and Private;
Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3203

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 BAY SPRINGS, MISSISSIPPI TO LEVY A TAX UPON THE GROSS SALES OF
3 RESTAURANTS IN AN AMOUNT NOT TO EXCEED 2% OF GROSS SALES OF
4 BEVERAGES SOLD FOR ON-PREMISES CONSUMPTION AND PREPARED FOOD FOR
5 THE PURPOSE OF PROVIDING FUNDS TO REDUCE THE INDEBTEDNESS INCURRED
6 AND TO BE INCURRED BY THE CITY IN FUNDING THE PURCHASE OF LAND AND
7 THE CONSTRUCTION OF A SPORTS COMPLEX CONSISTING OF BASEBALL
8 FIELDS, SOCCER FIELDS, WALKING TRAILS AND OTHER ATHLETIC
9 FACILITIES; AND FOR RELATED PURPOSES.

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

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

14 (a) "Governing authorities" means the governing
15 authorities of the City of Bay Springs, Mississippi.

16 (b) "Restaurant" means all places where prepared food
17 and beverages are sold for consumption, whether such food is
18 consumed on the premises or not. "Restaurant" as defined herein
19 does not include any school, hospital, convalescent or nursing
20 home, or any restaurant-like facility operated by or in connection
21 with a school, hospital, medical clinic, convalescent or nursing
22 home providing food for students, patients, visitors and their
23 families.

24 **SECTION 2.** (1) For the purpose of providing funds to reduce
25 the indebtedness incurred and to be incurred by the City of Bay
26 Springs in funding the purchase of land and the construction of a
27 sports complex consisting of baseball fields, soccer fields,
28 walking trails and other athletic facilities, the governing
29 authorities are authorized, in their discretion, to levy and
30 collect from the persons hereinafter specified a tax, which shall

31 be in addition to all of the taxes and assessments imposed. The
32 tax shall be imposed upon every person, firm or corporation
33 operating a restaurant or such other business, where prepared food
34 or beverages are sold to the public in the City of Bay Springs,
35 Mississippi, at a rate not to exceed two percent (2%) of the gross
36 proceeds of the sales of beverages sold for on-premises
37 consumption and prepared food.

38 (2) Persons, firms or corporations liable for the levy
39 imposed under subsection (1) of this section shall add the amount
40 of the levy to the sales price of the products set out herein and
41 shall collect, insofar as is practicable, the amount of the tax
42 due by them from the person receiving the services or product at
43 the time of payment therefor.

44 (3) Such tax shall be collected by and paid to the
45 Mississippi State Tax Commission on a form prescribed by the State
46 Tax Commission in the manner that state sales taxes are computed,
47 collected and paid; and full enforcement provisions and all other
48 provisions of Chapter 65, Title 27, Mississippi Code of 1972,
49 shall apply as necessary to the implementation and administration
50 of this act.

51 (4) The proceeds of such tax, less three percent (3%)
52 thereof which shall be retained by the State Tax Commission to
53 defray the cost of collection, shall be paid to the governing
54 authorities of the City of Bay Springs, Mississippi, on or before
55 the fifteenth day of the month following the month in which
56 collected.

57 (5) The proceeds of such tax shall not be considered by the
58 City of Bay Springs as general fund revenues but shall be
59 dedicated to and expended solely for the purposes specified in
60 this section.

61 **SECTION 3.** Before any tax authorized under this act may be
62 imposed, the governing authorities shall adopt a resolution
63 declaring their intention to levy the tax, setting forth the

64 amount of the tax to be imposed, the date upon which the tax shall
65 become effective and calling for an election to be held on the
66 question. The date of the election shall be fixed in the
67 resolution. Notice of such intention and the election shall be
68 published once each week for at least three (3) consecutive weeks
69 in a newspaper published or having a general circulation in the
70 City of Bay Springs, with the first publication of the notice to
71 be made not less than twenty-one (21) days before the date fixed
72 in the resolution for the election and the last publication to be
73 made not more than seven (7) days before the election. At the
74 election, all qualified electors of the City of Bay Springs may
75 vote, and the ballots used in the election shall have printed
76 thereon a brief statement of the amount and purposes of the
77 proposed tax levy and the words "FOR THE TAX" and, on a separate
78 line, "AGAINST THE TAX" and the voters shall vote by placing a
79 cross (X) or check (✓) opposite their choice on the proposition.
80 When the results of the election shall have been canvassed and
81 certified, the city may levy the tax if sixty percent (60%) of the
82 qualified electors who vote in the election vote in favor of the
83 tax. At least thirty (30) days before the effective date of the
84 tax provided in this section, the governing authorities shall
85 furnish to the State Tax Commission a certified copy of the
86 resolution evidencing the tax.

87 **SECTION 4.** Accounting for receipts and expenditures of the
88 funds herein described shall be made separately from the
89 accounting of receipts and expenditures of the general fund and
90 any other funds of the City of Bay Springs, Mississippi. The
91 records reflecting the receipts and expenditures of the funds
92 prescribed herein shall be audited annually by an independent
93 certified public accountant, and the accountant shall make a
94 written report of his audit to the governing authorities. The
95 audit shall be made and completed as soon as practicable after the

96 close of the fiscal year, and expenses of such audit shall be paid
97 from the funds derived in accordance with this act.

98 **SECTION 5.** The governing authorities of the City of Bay
99 Springs are directed to submit this act, immediately upon approval
100 by the Governor, or upon approval by the Legislature subsequent to
101 a veto, to the Attorney General of the United States or to the
102 United States District Court for the District of Columbia in
103 accordance with the provisions of the Voting Rights Act of 1965,
104 as amended and extended.

105 **SECTION 6.** This act shall take effect and be in force from
106 and after the date it is effectuated under Section 5 of the Voting
107 Rights Act of 1965, as amended and extended.