COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3220

1   AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2   COLUMBIA, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS SALES OF
3   HOTELS, MOTELS AND RESTAURANTS TO PROVIDE FUNDS FOR PROMOTING,
4   ESTABLISHING, DEVELOPING, CONSTRUCTING, FURNISHING, EQUIPPING AND
5   ERECTING IMPROVEMENTS TO THE COLUMBIA EXPOSITION CENTER, FOR
6   PROMOTING, ESTABLISHING, DEVELOPING, CONSTRUCTING, FURNISHING,
7   EQUIPPING AND ERECTING OF A MULTIPURPOSE SPORTS COMPLEX, AND FOR
8   PROMOTING THE ATTRIBUTES OF THE CITY; TO PROVIDE THAT SUCH TAX BE
9   COLLECTED BY THE STATE TAX COMMISSION AND PAID TO THE CITY OF
10 COLUMBIA, MISSISSIPPI; AND FOR RELATED PURPOSES.

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

12   **SECTION 1.** As used in this act, the following terms shall

13 have the following meanings unless a different meaning is clearly

14 indicated by the context in which they are used:

15   (a) "Governing authorities" means the Mayor and Board

16 of Aldermen of the City of Columbia, Mississippi.

17   (b) "Hotel" or "motel" means any establishment engaged

18 in the business of furnishing or providing rooms intended or

19 designed for dwelling, lodging or sleeping purposes to transient

20 guests, where such establishment consists of six (6) or more guest

21 rooms and does not encompass any hospital, convalescent or nursing

22 home or sanitarium, or any hotel-like facility operated by or in

23 connection with a hospital or medical clinic providing rooms

24 exclusively for patients and their families.

25   (c) "Restaurant" means all places where prepared food

26 and beverages are sold for consumption, whether such food is

27 consumed on the premises or not. "Restaurant" as defined herein

28 does not include any school, hospital, convalescent or nursing

29 home, or any restaurant-like facility operated by or in connection

30 with a school, hospital, medical clinic, convalescent or nursing

31 home providing food for students, patients, visitors and their
32 families.
33   **SECTION 2.** (1) For the purpose of providing funds for
34 promoting, establishing, developing, constructing, furnishing,
35 equipping and erecting improvements to the Columbia Exposition
36 Center, for promoting, establishing, developing, constructing,
37 furnishing, equipping and erecting a multipurpose sports complex,
38 and for promoting the attributes of the city, the governing
39 authorities, may, in their discretion, levy and collect from the
40 persons hereinafter specified a tax, which shall be in addition to
41 all of the taxes and assessments imposed. The tax shall be
42 imposed on the following persons:
43   (a) A tax upon every person, firm or corporation
44 operating a hotel or motel in the City of Columbia, Mississippi,
45 at a rate not to exceed two percent (2%) of the gross proceeds of
46 room rentals for each such hotel or motel.
47   (b) A tax upon every person, firm or corporation
48 operating a restaurant or such other business, where prepared food
49 or drink is sold to the public in the City of Columbia,
50 Mississippi, at a rate not to exceed two percent (2%) of the gross
51 proceeds of the sales of such restaurant or business.
52   (2) Persons, firms or corporations liable for the levy
53 imposed under subsection (1) of this section shall add the amount
54 of the levy to the sales price of the rooms and products set out
55 herein and shall collect, insofar as is practicable, the amount of
56 the tax due by them from the person receiving the services or
57 products at the time of payment therefor.
58   (3) Such tax shall be collected by and paid to the
59 Mississippi State Tax Commission on a form prescribed by the State
60 Tax Commission in the manner that state sales taxes are computed,
61 collected and paid; and full enforcement provisions and all other
62 provisions of Chapter 65, Title 27, Mississippi Code of 1972,

63 shall apply as necessary to the implementation and administration
64 of this act.
65   (4) The proceeds of such tax, less three percent (3%)
66 thereof which shall be retained by the State Tax Commission to
67 defray the cost of collection, shall be paid to the City of
68 Columbia, Mississippi, on or before the fifteenth day of the month
69 following the month in which collected.
70   (5) The proceeds of such tax shall not be considered by the
71 City of Columbia as general fund revenues but shall be dedicated
72 to and expended solely for the purposes specified in this section.
73   **SECTION 3.** Before any tax authorized under this act may be
74 imposed, the governing authorities shall adopt a resolution
75 declaring their intention to levy the taxes, setting forth the
76 amount of such tax to be imposed, the date upon which such taxes
77 shall become effective and calling for an election to be held on
78 the question. The date of the election shall be set in the
79 resolution. Notice of such intention shall be published once each
80 week for at least three (3) consecutive weeks in a newspaper
81 published or having a general circulation in the city, with the
82 first publication of such notice to be made not less than
83 twenty-one (21) days before the date fixed in the resolution for
84 the election and the last publication to be made not more than
85 seven (7) days before the election. At the election, all
86 qualified electors of the city may vote, and the ballots used in
87 such election shall have printed thereon a brief statement of the
88 amount and purposes of the proposed tax levy and the words "FOR
89 THE TAX" and, on a separate line, "AGAINST THE TAX," and the
90 voters shall vote by placing a cross (X) or check (√) opposite
91 their choice on the proposition. When the results of any such
92 election shall have been canvassed by the election commission and
93 certified, the city may levy the taxes beginning on the first day
94 of the second month following the election, only if at least sixty
95 percent (60%) of the qualified electors who vote in the election

96 vote in favor of the tax. No public funds shall be used for the

97 purpose of promoting the implementation of the tax and no city

98 employee may promote the election during business hours. At least

99 thirty (30) days before the effective date of the taxes, the

100 governing authorities shall furnish to the State Tax Commission a

101 certified copy of the resolution evidencing the taxes.

102   **SECTION 4.** Accounting for receipts and expenditures of the

103 funds herein described shall be made separately from the

104 accounting of receipts and expenditures of the general fund and

105 any other funds of the City of Columbia, Mississippi. The records

106 reflecting the receipts and expenditures of the funds prescribed

107 herein shall be audited annually by an independent certified

108 public accountant, and the accountant shall make a written report

109 of his audit to the governing authorities. The audit shall be

110 made and completed as soon as practicable after the close of the

111 fiscal year, and expenses of such audit shall be paid from the

112 funds derived in accordance with this act.

113   **SECTION 5.** This act shall stand repealed from and after July

114 1, 2012.

115   **SECTION 6.** The City of Columbia, Mississippi, is directed to

116 submit this act, immediately upon approval by the Governor, or

117 upon approval by the Legislature subsequent to a veto, to the

118 Attorney General of the United States or to the United States

119 District Court for the District of Columbia in accordance with the

120 provisions of the Voting Rights Act of 1965, as amended and

121 extended.

122   **SECTION 7.** This act shall take effect and be in force from

123 and after the date it is effectuated under Section 5 of the Voting

124 Rights Act of 1965, as amended and extended.

S. B. No. 3220   * SS26/ R1455CS*
07/SS26/R1455CS   ST: City of Columbia; authorize the governing
PAGE 4   authorities to levy a tax on hotels, motels and
                      restaurants.