

By: Senator(s) Chassaniol

To: Local and Private;
Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2048

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 WINONA, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS OF
3 SALES OF RESTAURANTS FOR THE PURPOSE OF PROVIDING FUNDS TO PROMOTE
4 RECREATION, TOURISM, PARKS AND ECONOMIC DEVELOPMENT WITHIN THE
5 CITY; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** As used in this act, the following terms have the
8 meanings ascribed to them in this section unless the context
9 clearly indicates otherwise:

10 (a) "City" means the City of Winona, Mississippi.

11 (b) "Governing authorities" means the governing
12 authorities of the City of Winona, Mississippi.

13 (c) "Prepared food" means food prepared on the premises
14 of a restaurant.

15 (d) "Restaurant" means all places within the corporate
16 limits of the city where prepared food and beverages are sold for
17 consumption, whether such food is consumed on the premises or not.
18 The term "restaurant" does not include any school; hospital;
19 convalescent or nursing home; and restaurant-like facility



20 operated by or in connection with a school, hospital, medical
21 clinic, convalescent or nursing home providing food for students,
22 patients, visitors or their families.

23 **SECTION 2.** (1) For the purpose of providing funds to
24 promote tourism and parks and recreation within the city, the
25 governing authorities of the City of Winona, Mississippi, in their
26 discretion, may levy, assess and collect a tax from persons, firms
27 or corporations specified in this subsection, a tax, which shall
28 be in addition to all other taxes or assessments imposed. The tax
29 shall be imposed upon every person, firm or corporation operating
30 a restaurant in the City of Winona, Mississippi, where prepared
31 food and drink is sold to the public, at a rate not to exceed two
32 percent (2%) of the gross proceeds of the sales of such restaurant
33 or business.

34 (2) Persons, firms, corporations or other entities liable
35 for the tax imposed under subsection (1) of this section shall add
36 the amount of the tax to the sales price of the food and beverages
37 and shall collect, insofar as practicable, the amount of the tax
38 due from the person purchasing the food or beverages at the time
39 of payment therefor.

40 **SECTION 3.** Before any tax authorized under this act may be
41 imposed, the governing authorities shall adopt a resolution
42 declaring their intention to levy the tax, setting forth the
43 amount of the tax to be imposed, the date upon which the tax shall
44 become effective and calling for an election to be held on the



45 question. The date of the election shall be fixed in the
46 resolution. Notice of the intention and the election shall be
47 published once each week for at least three (3) consecutive weeks
48 in a newspaper published or having a general circulation in the
49 city, with the first publication of the notice to be made not less
50 than twenty-one (21) days before the date fixed in the resolution
51 for the election and the last publication to be made not more than
52 seven (7) days before the election. At the election, all
53 qualified electors of the city may vote, and the ballots used in
54 the election shall have printed thereon a brief statement of the
55 amount and purposes of the proposed tax levy and the words "FOR
56 THE TAX" and, on a separate line, "AGAINST THE TAX" and the voters
57 shall vote by placing a cross (X) or check (✓) opposite their
58 choice on the proposition. When the results of the election shall
59 have been canvassed and certified, the city may levy the tax if
60 sixty percent (60%) of the qualified electors who vote in the
61 election vote in favor of the tax. At least thirty (30) days
62 before the effective date of the tax, the governing authorities
63 shall furnish to the Department of Revenue a certified copy of the
64 resolution evidencing the tax.

65 **SECTION 4.** (1) On or before the fifteenth day of the month
66 preceding the date on which the city will begin to levy the tax
67 authorized under Section 2 of this act, the governing authorities
68 shall give written notification to the Commissioner of Revenue of
69 the date on which the tax will become effective.



70 (2) The tax must be collected by and paid to the Department
71 of Revenue in the same manner that state sales taxes are computed,
72 collected and paid, and the full enforcement provisions and all
73 other provisions of Chapter 65, Title 27, Mississippi Code of
74 1972, will apply as necessary for the implementation of this act.

75 (3) Except for any amount retained by the Department of
76 Revenue under Section 27-3-58, Mississippi Code of 1972, the
77 revenue from the special tax collected under this act must be paid
78 to the city on or before the fifteenth day of the month following
79 the month in which collected.

80 (4) Accounting for receipts and expenditures of the revenue
81 from the tax shall be made separately from the accounting of
82 receipts and expenditures of the general fund and any other funds
83 of the city. The records reflecting the receipts and expenditures
84 of the revenue from the tax shall be audited annually by an
85 independent certified public accountant, and the accountant shall
86 make a written report of his audit to the governing authorities.
87 The audit shall be made and completed as soon as practicable after
88 the close of the fiscal year, and expenses of the audit shall be
89 paid from the funds derived pursuant to this act.

90 (5) The proceeds of the tax may not be considered by the
91 city as general fund revenues but must be placed into a special
92 fund apart from the city general fund and any other funds and
93 expended by the city strictly for the purposes prescribed under
94 Section 2 of this act.



95 **SECTION 5.** This act shall be repealed from and after July 1,
96 2020.

97 **SECTION 6.** This act shall take effect and be in force from
98 and after its passage.

