

By: Representative Weathersby

To: Local and Private
Legislation

HOUSE BILL NO. 1520
(As Sent to Governor)

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 RICHLAND, MISSISSIPPI, TO LEVY A 3% TAX UPON THE GROSS PROCEEDS OF
3 ROOM RENTALS FROM HOTELS AND MOTELS WITHIN THE CITY FOR THE
4 PURPOSE OF PROMOTING TOURISM AND PARKS AND RECREATION; TO PROVIDE
5 FOR AN ELECTION ON WHETHER THE TAX MAY BE LEVIED; AND FOR RELATED
6 PURPOSES.

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

8 **SECTION 1.** As used in this act:

9 (a) "City" means the City of Richland, Mississippi.

10 (b) "Governing authorities" means the Mayor and Board
11 of Aldermen of the city.

12 (c) "Hotel" or "motel" means and includes a place of
13 lodging that at any one time will accommodate transient guests on
14 a daily, weekly or monthly basis and that is known to the trade as
15 such, and which is located within the city limits of the city.

16 **SECTION 2.** (1) For the purpose of providing funds for the
17 purpose of promoting tourism and parks and recreation, there is
18 levied and assessed and shall be collected from every person
19 engaged in operating a hotel or motel, in addition to all other
20 taxes currently being levied, assessed and collected, a tax of



21 three percent (3%) of the gross proceeds of sales of room rentals
22 of hotel and motel rooms for each hotel and motel in the city.

23 (2) Persons liable for the tax imposed in this section shall
24 add the amount of the tax to the sales price, as applicable, and,
25 in addition, shall collect, insofar as practicable, the amount of
26 the tax due by them from the person receiving the services at the
27 time of payment for the services.

28 **SECTION 3.** (1) The tax shall be collected by and paid to
29 the Department of Revenue in the same manner that state sales
30 taxes are computed, collected and paid, and the full enforcement
31 provisions of Chapter 65, Title 27, Mississippi Code of 1972,
32 shall apply as necessary to the implementation and administration
33 of this act.

34 (2) Except for any amount retained by the Department of
35 Revenue under Section 27-3-58, Mississippi Code of 1972, the
36 proceeds of the tax shall be paid to the city on or before the
37 fifteenth day of the month following the month in which they were
38 collected.

39 (3) Accounting for receipts and expenditures of the revenue
40 from the tax shall be made separately from the accounting of
41 receipts and expenditures of the general fund and any other funds
42 of the city. The records reflecting the receipts and expenditures
43 of the revenue from the tax shall be audited annually by an
44 independent certified public accountant, and the accountant shall
45 make a written report of his audit to the governing authorities.



46 The audit shall be made and completed as soon as practicable after
47 the close of the fiscal year, and expenses of the audit shall be
48 paid from the funds derived pursuant to this act.

49 (4) The proceeds of the tax shall not be considered by the
50 city as general fund revenues and shall be placed into a special
51 fund created separate and apart from any other fund of the city.

52 **SECTION 4.** Before any tax authorized under this act may be
53 imposed, the governing authorities shall adopt a resolution
54 declaring their intention to levy the tax, setting forth the
55 amount of the tax to be imposed, the date upon which the tax shall
56 become effective, and calling for an election to be held on the
57 question. The date of the election shall be fixed in the
58 resolution. Notice of such intention shall be published once each
59 week for at least three (3) consecutive weeks in a newspaper
60 published or having a general circulation in the city, with the
61 first publication of the notice to be made not less than
62 twenty-one (21) days before the date fixed in the resolution for
63 the election and the last publication to be made not more than
64 seven (7) days before the election. At the election, all
65 qualified electors of the city may vote, and the ballots used in
66 the election shall have printed thereon a brief statement of the
67 amount and purposes of the proposed tax levy and the words "FOR
68 THE TAX" and, on a separate line, "AGAINST THE TAX," and the
69 voters shall vote by placing a cross (X) or check (✓) opposite
70 their choice on the proposition. When the results of the election



71 shall have been canvassed and certified, the city may levy the tax
72 if sixty percent (60%) of the qualified electors who vote in the
73 election vote in favor of the tax. At least thirty (30) days
74 before the effective date of the tax provided in this section, the
75 governing authorities shall furnish to the Department of Revenue a
76 certified copy of the resolution evidencing the tax.

77 **SECTION 5.** The city is authorized to incur debt under the
78 provisions of this act or under any existing law authorizing notes
79 or other evidences of debt. The governing authorities, in their
80 discretion, may pledge the revenues derived from the tax levy
81 authorized by this act to repay any indebtedness of the city which
82 the city may be authorized to incur under the laws of the state.

83 **SECTION 6.** Subject to the provisions of this act and
84 provided that there is no indebtedness or obligations outstanding
85 pursuant to the provisions of this act, the tax levied under this
86 act may be discontinued by an action of the governing authority
87 adopting a resolution to that effect. The discontinuance of the
88 tax shall be effective beginning on the first day of the month
89 designated in the resolution and the tax levy shall not apply to
90 sales made on and after that date. A certified copy of the
91 resolution discontinuing the tax shall be delivered to the
92 Department of Revenue at least seven (7) days before the date set
93 in the resolution for the discontinuance of the tax.

94 **SECTION 7.** This act shall be repealed from and after July 1,
95 2022.



96 **SECTION 8.** This act shall take effect and be in force from
97 and after its passage.

