

By: Representative Rogers (61st)

To: Local and Private
Legislation

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1667

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 PEARL, MISSISSIPPI, TO LEVY A TAX OF NOT MORE THAN 3% UPON THE
3 GROSS PROCEEDS OF SALES OF HOTELS AND MOTELS DERIVED FROM ROOM
4 RENTALS AND TO IMPOSE AN ADDITIONAL TAX OF NOT MORE THAN 1% UPON
5 THE GROSS PROCEEDS OF SALES OF RESTAURANTS FOR THE PURPOSE OF
6 PROVIDING FUNDS TO PROMOTE TOURISM, PARKS AND RECREATION IN THE
7 CITY; TO PROVIDE FOR AN ELECTION BE HELD ON THE QUESTION OF
8 WHETHER SUCH TAXES MAY BE LEVIED; AND FOR RELATED PURPOSES.

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

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

13 (a) "City" means the City of Pearl, Mississippi.

14 (b) "Governing authorities" means the Mayor and Board
15 of Aldermen of the City of Pearl, Mississippi.

16 (c) "Hotel" or "motel" means any establishment engaged
17 in the business of furnishing or providing rooms intended or
18 designed for lodging or sleeping purposes to transient guests,
19 which establishment consists of five (5) or more guest rooms. The
20 term "hotel" or "motel" does not include any hospital,
21 convalescent or nursing home or sanitarium, or any hotel-like



22 facility operated by or in connection with a hospital or medical
23 clinic providing rooms exclusively for patients and their
24 families.

25 (d) "Restaurant" means all places, including hotel and
26 motel dining rooms, cafeterias, cafes, lunch stands, grocery and
27 convenience stores where prepared food and beverages are sold for
28 consumption, whether such food is consumed on the premises or not.
29 The term "restaurant" does not include any school, hospital,
30 convalescent or nursing home, or any restaurant-like facility
31 operated by or in connection with a school, hospital, medical
32 clinic, convalescent or nursing home providing food for students,
33 patients, visitors or their families. The term "restaurant" shall
34 not include a concession stand.

35 **SECTION 2.** (1) For the purposes of providing funds to
36 promote tourism and parks and recreation in the city, the
37 governing authorities are authorized, in their discretion, to levy
38 and collect from the following persons a tax, which shall be in
39 addition to all of the taxes and assessments imposed. The tax
40 shall be imposed on the following persons:

41 (a) A tax upon every person, firm or corporation
42 operating a motel or hotel in the City of Pearl, at a rate not to
43 exceed three percent (3%) of the gross proceeds of room rentals
44 for each such hotel or motel.

45 (b) A tax upon every person, firm or corporation
46 operating a restaurant in the City of Pearl, at a rate not to



47 exceed one percent (1%) of the gross proceeds of the sales of the
48 restaurant.

49 (2) Persons, firms or corporations liable for the tax
50 imposed under subsection (1) of this section shall add the amount
51 of the levy to the sales price of the rooms and products set out
52 in subsection (1) of this section and shall collect, insofar as is
53 practicable, the amount of the tax due by them from the person
54 receiving the services or product at the time of payment therefor.

55 (3) The tax shall be collected by and paid to the Department
56 of Revenue on a form prescribed by the Department of Revenue in
57 the manner that state sales taxes are computed, collected and
58 paid; and full enforcement provisions and all other provisions of
59 Chapter 65, Title 27, Mississippi Code of 1972, shall apply as
60 necessary to the implementation and administration of this act.

61 (4) The proceeds of the tax, less three percent (3%) thereof
62 which shall be retained by the Department of Revenue to defray the
63 cost of collection, shall be paid to the governing authorities on
64 or before the fifteenth day of the month following the month in
65 which collected.

66 (5) The proceeds of the tax shall not be considered by the
67 City of Pearl as general fund revenues but shall be dedicated to
68 and expended solely for the purposes specified in this section.
69 In no event shall the proceeds of the tax be expended on any
70 private property, payment for any legal fees or payment for any



71 salaries, including salaries related to any grant for the
72 promotion of tourism and parks and recreation.

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 tax, setting forth the
76 amount of the tax to be imposed, the date upon which the tax shall
77 become effective and calling for an election to be held on the
78 question, and the date of the election shall be fixed in the
79 resolution. Notice of such intention and the election shall be
80 published once each week for at least three (3) consecutive weeks
81 in a newspaper published or having a general circulation in the
82 City of Pearl, with the first publication of the notice to be made
83 not less than twenty-one (21) days before the date fixed in the
84 resolution for the election and the last publication to be made
85 not more than seven (7) days before the election. At the
86 election, all qualified electors of the City of Pearl may vote,
87 and the ballots used in the election shall have printed thereon a
88 brief statement of the amount and purposes of the proposed tax
89 levy and the words "FOR THE TAX" and, on a separate line, "AGAINST
90 THE TAX" and the voters shall vote by placing a cross (X) or check
91 (✓) opposite their choice on the proposition. When the results
92 of the election shall have been canvassed and certified, the city
93 may levy the tax if sixty percent (60%) of the qualified electors
94 who vote in the election vote in favor of the tax. At least
95 thirty (30) days before the effective date of the tax provided in



96 this section, the governing authorities shall furnish to the
97 Department of Revenue a certified copy of the resolution
98 evidencing the tax.

99 **SECTION 4.** Accounting for receipts and expenditures of the
100 revenue from the tax shall be made separately from the accounting
101 of receipts and expenditures of the general fund and any other
102 funds of the city. The records reflecting the receipts and
103 expenditures of these funds prescribed in this act shall be
104 audited annually by an independent certified accountant, and the
105 accountant shall make a written report of his or her audit to the
106 governing authorities. The audit shall be made and completed as
107 soon as practicable after the close of the fiscal year, and
108 expenses of the audit shall be paid from the funds derived
109 pursuant to this act.

110 **SECTION 5.** This act shall be repealed from and after July 1,
111 2022.

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

