

By: Representatives Gibbs (72nd), Wilson

To: Local and Private
Legislation

HOUSE BILL NO. 1694

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
 2 RIDGELAND, MISSISSIPPI, TO IMPOSE AN ADDITIONAL TOURISM TAX OF ONE
 3 PERCENT (1%) ON THE GROSS PROCEEDS DERIVED FROM HOTEL AND MOTEL
 4 ROOM RENTALS WITHIN THE CITY AND TO EXPEND THE PROCEEDS OF THE TAX
 5 FOR THE PROMOTION AND IMPROVING OF TOURISM FOR ENHANCING
 6 RECREATIONAL AND PARKS FACILITIES AND ANCILLARY IMPROVEMENTS OF
 7 SUCH FACILITIES; TO PROVIDE THAT THE TAX SHALL BE COLLECTED BY THE
 8 DEPARTMENT OF REVENUE AND PAID TO THE CITY OF RIDGELAND; TO
 9 PROVIDE FOR AN ELECTION ON WHETHER THE ADDITIONAL TAX MAY BE
 10 LEVIED; 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 words shall
 13 have the meanings ascribed to them in this section unless
 14 otherwise clearly indicated by the context in which they are used:

15 (a) "City" means the City of Ridgeland, Mississippi.

16 (b) "Fiscal year" means the period from October 1 to
17 September 30 of each calendar year.

18 (c) "Governing authorities" means the Mayor and Board
19 of Aldermen of the City of Ridgeland, Mississippi.

20 (d) "Hotel" or "motel" means any establishment engaged
21 in the business of furnishing or providing rooms intended or
22 designed for lodging or sleeping purposes for transient guests,



23 which establishment consists of five (5) or more guest rooms and
24 does not include any hospital, convalescent or nursing home, or
25 sanitarium, or any hotel-like facility operated by or in
26 connection with a hospital or medical clinic providing rooms
27 exclusively for patients and their families.

28 **SECTION 2.** (1) For the purpose of providing funds to
29 promote and improve the attributes and facilities of the city, as
30 they relate to tourism and parks and recreation, for promoting
31 tourism, parks and recreation events and activities in the city,
32 the governing authorities of the City of Ridgeland, Mississippi,
33 in their discretion, may, levy, assess and collect from every
34 person, firm and corporation operating a hotel or motel in the
35 city, a tax that may be cited as a "tourism tax" which shall be in
36 addition to all other taxes and assessments imposed by the city,
37 as provided in this act.

38 (2) The tax shall be an amount not to exceed one percent
39 (1%) of the gross proceeds derived from hotel and motel room
40 rentals in the city, excluding charges for telephone, laundry and
41 similar services. The tax shall not be levied upon or collected
42 from gross proceeds of nontaxable rooms, room rentals for day
43 meetings that do not serve as overnight sleeping accommodations,
44 or room rentals to residential guests of a hotel or motel.

45 (3) Persons liable for the tax imposed pursuant to this act
46 shall add the amount of tax to the gross proceeds from room
47 rentals and shall collect, insofar as practicable, the amount of



48 the tax due by him from the person receiving the services at the
49 time of payment for the services.

50 (4) The tax shall be collected by and paid to the Department
51 of Revenue on a form prescribed by the Department of Revenue, in
52 the same manner that state sales taxes are computed, collected and
53 paid; and the full enforcement provisions and all other provisions
54 of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as
55 necessary to the implementation and administration of this act.

56 (5) The proceeds of the tax, less three percent (3%) to be
57 retained by the Department of Revenue to defray the costs of
58 collection, shall be paid to the governing authorities of the city
59 on or before the fifteenth day of the month following the month in
60 which they were collected.

61 (6) The proceeds of the tax shall not be considered by the
62 city as general fund revenue but shall be dedicated solely for the
63 purposes set forth in subsection (1) of this section, as
64 determined by the governing authorities of the city, which are
65 designed to promote and improve the attributes and facilities of
66 the city, as they relate to tourism and parks and recreation, for
67 promoting tourism, parks and recreation events and activities
68 promote tourism, parks and recreation in the city and promote
69 tourism, parks and recreation events in the city.

70 **SECTION 3.** Before any tax authorized under this act may be
71 imposed, the governing authorities shall adopt a resolution
72 declaring its intention to levy the tax, setting forth the amount



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

95 **SECTION 4.** Before the expenditure of the proceeds of the tax
96 authorized by this act, a budget reflecting the anticipated
97 receipts and expenditures shall be approved by the governing



98 authorities of the city. The first budget of receipts and
99 expenditures shall cover the period beginning with the effective
100 date of the tax and ending with the end of the city's fiscal year,
101 and thereafter, the budget shall be on the same fiscal basis as
102 the budget of the city.

103 **SECTION 5.** Accounting for receipts and expenditures of the
104 funds derived from the proceeds of the tax authorized by this act
105 shall be made separately from the accounting receipts and
106 expenditures of the general fund and any other funds of the city.
107 The records reflecting the receipts and expenditures of these
108 funds shall be audited annually by an independent certified public
109 accountant, and the accountant shall make a written report of his
110 audit to the governing authorities. The audit shall be made and
111 completed as soon as practicable after the close of the city's
112 fiscal year, and copies of the report of the audit shall be filed
113 with the clerk of the city. The expenses of this audit may be
114 paid from the funds derived in accordance with this act.

115 **SECTION 6.** This act shall not alter or amend Chapter 910,
116 Local and Private Laws of 1997, which act, including the one
117 percent (1%) tourism tax authorized therein, shall remain
118 unchanged, without amendment, and in full force and effect.

119 **SECTION 7.** This act shall be repealed from and after July 1,
120 2023.

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

