

By: Senator(s) Branning

To: Local and Private

SENATE BILL NO. 3034

1 AN ACT TO AMEND CHAPTER 936, LOCAL AND PRIVATE LAWS OF 2016,  
 2 TO EXTEND UNTIL JULY 1, 2024, THE REPEAL DATE ON THE LAW THAT  
 3 AUTHORIZES THE GOVERNING AUTHORITIES OF THE CITY OF CARTHAGE,  
 4 MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS OF SALES OF  
 5 HOTELS AND MOTELS DERIVED FROM ROOM RENTALS AND UPON THE GROSS  
 6 PROCEEDS OF SALES OF RESTAURANTS FOR THE PURPOSE OF PROVIDING  
 7 FUNDS FOR RECREATION AND TOURISM FACILITIES; AND FOR RELATED  
 8 PURPOSES.

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

10 **SECTION 1.** Chapter 936, Local and Private Laws of 2016, is  
 11 amended as follows:

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) "City" means the City of Carthage, Mississippi.

16 (b) "Governing authorities" means the governing  
 17 authorities of the City of Carthage, Mississippi.

18 (c) "Hotel" or "motel" means any establishment engaged  
 19 in the business of furnishing or providing rooms intended or  
 20 designed for dwelling, lodging or sleeping purposes to transient  
 21 guests, where the establishment consists of six (6) or more guest



22 rooms. The term "hotel" or "motel" does not include any hospital,  
23 convalescent or nursing home or sanitarium, or any hotel-like  
24 facility operated by or in connection with a hospital or medical  
25 clinic providing rooms exclusively for patients and their  
26 families.

27 (d) "Restaurant" means all places where prepared food  
28 and beverages are sold for consumption, whether such food is sold  
29 for consumption on the premises or not. The term "restaurant"  
30 does not include any school, hospital, convalescent or nursing  
31 home, or any restaurant-like facility operated by or in connection  
32 with a school, hospital, medical clinic, convalescent or nursing  
33 home providing food for students, patients, visitors or their  
34 families.

35 Section 2. (1) For the purposes of providing funds to  
36 promote tourism and parks and recreation in the city, including,  
37 but not limited to, paying the principal of and interest on bonds  
38 issued on the indebtedness incurred under Section 5 of this act,  
39 the governing authorities are authorized, in their discretion, to  
40 levy and collect from the following persons a tax, which shall be  
41 in addition to all of the taxes and assessments imposed. The tax  
42 shall be imposed on the following persons:

43 (a) A tax upon every person, firm or corporation  
44 operating a motel or hotel in the City of Carthage, at a rate not  
45 to exceed two percent (2%) of the gross proceeds of room rentals  
46 for each such hotel or motel.



47 (b) A tax upon every person, firm or corporation  
48 operating a restaurant in the City of Carthage, at a rate not to  
49 exceed two percent (2%) of the gross proceeds of the sales of the  
50 restaurant.

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

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

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

69 (5) The proceeds of the tax shall not be considered by the  
70 City of Carthage as general fund revenues but shall be dedicated  
71 to and expended solely for the purposes specified in this section.



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



96 Department of Revenue a certified copy of the resolution  
97 evidencing the tax.

98 Section 4. Accounting for receipts and expenditures of the  
99 funds herein described shall be made separately from the  
100 accounting of receipts and expenditures of the general fund and  
101 any other funds of the City of Carthage. The records reflecting  
102 the receipts and expenditures of the funds prescribed in this act  
103 shall be audited annually by an independent certified public  
104 accountant, and the accountant shall make a written report of his  
105 audit to the governing authorities. The audit shall be made and  
106 completed as soon as practicable after the close of the fiscal  
107 year, and expenses of the audit shall be paid from the funds  
108 derived in accordance with this act.

109 Section 5. (1) For the purposes of providing funds to pay  
110 costs associated with constructing, equipping, owning, operating,  
111 leasing, furnishing, improving and maintaining recreation and  
112 tourism venues, parks and recreational facilities described in  
113 Section 2 of this act, the governing authorities are authorized to  
114 issue general obligation bonds of the municipality or incur other  
115 indebtedness in an aggregate principal amount that is not in  
116 excess of an amount for which debt service is capable of being  
117 funded by the proceeds of the special sales tax levied under this  
118 act.

119 (2) Except as otherwise provided in this section, bonds  
120 issued under this section shall be issued in accordance with the



121 provisions of Sections 21-33-301 through 21-33-329. Bonds  
122 authorized to be issued under this section shall not be included  
123 in the limitation on indebtedness imposed in Section 21-33-303 or  
124 any other limitation on indebtedness of the city. Bonds issued  
125 under the provisions of this section and income therefrom shall be  
126 exempt from all taxation in the State of Mississippi.

127 Section 6. This act shall be repealed from and after July  
128 1, \* \* \* 2024.

129 **SECTION 2.** This act shall take effect and be in force from  
130 and after its passage.

