

By: Senator(s) Chassaniol

To: Local and Private

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3067

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE TOWN OF
2 VAIDEN, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS OF
3 SALES OF RESTAURANTS FOR THE PURPOSE OF PROVIDING FUNDS FOR THE
4 PROMOTION OF TOURISM AND PARKS AND RECREATION; AND FOR RELATED
5 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) "Governing authorities" means the Mayor and Board
11 of Aldermen of the Town of Vaiden, Mississippi.

12 (b) "Prepared food" means food prepared on the premises
13 of a restaurant.

14 (c) "Restaurant" means all places within the town where
15 prepared food and beverages are sold for consumption, whether such
16 food is consumed on the premises or not. The term "restaurant"
17 does not include any school, hospital, convalescent or nursing
18 home, and restaurant-like facilities operated by or in connection
19 with a school, hospital, medical clinic, convalescent or nursing



20 home providing food for students, patients, visitors or their
21 families.

22 (d) "Town" means the Town of Vaiden, Mississippi.

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

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

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



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

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



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

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

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

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



94 **SECTION 5.** This act shall be repealed from and after July 1,
95 2022.

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

