

By: Representative Baker

To: Local and Private
Legislation

HOUSE BILL NO. 1611

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
 2 FLOWOOD, MISSISSIPPI, TO LEVY SALES TAX IN THE AMOUNT OF 3% UPON
 3 THE GROSS PROCEEDS OF SALES OF ROOM RENTALS OF HOTEL AND MOTEL
 4 ROOMS IN THE CITY; TO PROVIDE THAT THE TAX LEVY SHALL BE USED FOR
 5 THE PURPOSE OF PAYING ANY DEBT INCURRED IN CONNECTION WITH THE
 6 ACQUISITION, CONSTRUCTION, RECONSTRUCTION, EXPANDING, IMPROVING,
 7 FURNISHING, EQUIPPING AND REPAIRING OF A CONFERENCE CENTER AND
 8 RELATED AND ANCILLARY FACILITIES; TO REQUIRE THAT AN ELECTION BE
 9 HELD ON THE QUESTION OF THE IMPOSITION OF SUCH TAX; AND FOR
 10 RELATED PURPOSES.

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

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

13 (a) "Bond" or "bonds" means bonds, notes or other
 14 obligations of the city issued, in one or more series, from time
 15 to time, pursuant to this act.

16 (b) "City" means the City of Flowood, Mississippi.

17 (c) "Governing authorities" means the Mayor and Board
 18 of Aldermen of the city.

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



23 **SECTION 2.** (1) For the purpose of providing funds for the
24 acquisition, construction, reconstruction, expanding, improving,
25 furnishing, equipping and repairing of a conference center in the
26 city, and for the payment of any debt incurred in connection
27 therewith, there is levied and assessed and shall be collected
28 from every person engaged in operating a hotel or motel, in
29 addition to all other taxes currently being levied, assessed and
30 collected, a tax of three percent (3%) of the gross proceeds of
31 sales of room rentals of hotel and motel rooms for each such hotel
32 and motel.

33 (2) Persons liable for the tax imposed in this section shall
34 add the amount of the tax to the sales price, as applicable, and,
35 in addition, shall collect, insofar as practicable, the amount of
36 the tax due by them from the person receiving the services at the
37 time of payment for the services.

38 **SECTION 3.** (1) The tax shall be collected by and paid to
39 the Department of Revenue in the same manner that state sales
40 taxes are computed, collected and paid, and the full enforcement
41 provisions of Chapter 65, Title 27, Mississippi Code of 1972,
42 shall apply as necessary to the implementation and administration
43 of this act.

44 (2) Except for any amount retained by the Department of
45 Revenue under Section 27-3-58, Mississippi Code of 1972, the
46 proceeds of the tax shall be paid to the city on or before the



47 fifteenth day of the month following the month in which they were
48 collected.

49 (3) Accounting for receipts and expenditures of the revenue
50 from the tax shall be made separately from the accounting of
51 receipts and expenditures of the general fund and any other funds
52 of the city. The records reflecting the receipts and expenditures
53 of the revenue from the tax shall be audited annually by an
54 independent certified public accountant, and the accountant shall
55 make a written report of his audit to the governing authorities.
56 The audit shall be made and completed as soon as practicable after
57 the close of the fiscal year, and expenses of the audit shall be
58 paid from the funds derived pursuant to this act.

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

62 (5) The authority to levy the tax shall be repealed on the
63 first day of the month immediately succeeding the payment in full
64 of the principal of and interest on all bonds issued pursuant to
65 this act. The balance of any funds remaining in the special fund
66 described in subsection (4) of this section after final payment of
67 all principal of and interest on the bonds shall be deposited into
68 the general fund of the city.

69 **SECTION 4.** Before any tax authorized under this act may be
70 imposed, the governing authorities shall adopt a resolution
71 declaring their intention to levy the tax, setting forth the



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

94 **SECTION 5.** This act shall take effect and be in force from
95 and after its passage.

