

By: Senator(s) Chassaniol

To: Local and Private

SENATE BILL NO. 2896

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE TOWN OF  
2 NORTH CARROLLTON, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS  
3 PROCEEDS OF SALES OF RESTAURANTS FOR THE PURPOSE OF PROVIDING  
4 FUNDS TO PROMOTE 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 North Carrollton, 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 facility 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 North Carrollton,  
23 Mississippi.

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

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

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



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

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



70           (2) The tax must be collected by and paid to the Department  
71 of Revenue in the same manner that state sales taxes are computed,  
72 collected and paid, and the full enforcement provisions and all  
73 other provisions of Chapter 65, Title 27, Mississippi Code of  
74 1972, will apply as necessary for the implementation of this act.

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

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

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



95           **SECTION 5.** This act shall be repealed from and after July 1,  
96 2023.

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

