

By: Representative Byrd

To: Local and Private
Legislation

HOUSE BILL NO. 1610

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 PETAL, MISSISSIPPI, TO IMPOSE A TAX UPON THE GROSS SALES OF
3 HOTELS, MOTELS, BARS AND RESTAURANTS IN AN AMOUNT NOT TO EXCEED
4 TWO PERCENT FOR THE PURPOSE OF PROVIDING FUNDS FOR THE PROMOTION
5 OF TOURISM, PARKS AND RECREATION WITHIN THE CITY; TO PROVIDE FOR
6 AN ELECTION ON WHERE THE TAX MAY BE LEVIED; AND FOR RELATED
7 PURPOSES.

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

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

10 (a) "City" means the City of Petal, Mississippi.

11 (b) "Governing authorities" means the governing
12 authorities of the City of Petal, Mississippi.

13 (c) "Bar" means all places, required by law to possess
14 an on-premises Alcoholic Beverage Control permit, where beer
15 and/or alcoholic beverages are sold for consumption on the
16 premises.

17 (d) "Restaurant" means all places where prepared food
18 and beverages, including beer and alcoholic beverages, are sold
19 for consumption, whether such food is consumed on the premises or
20 not. The term "restaurant" does not include any school, hospital,



21 convalescent or nursing home, or any restaurant-like facility
22 operated by or in connection with a school, hospital, medical
23 clinic, convalescent or nursing home providing food for students,
24 patients and visitors of their families.

25 (e) "Facilities" means tourism and parks and recreation
26 and other related and ancillary facilities.

27 (f) "Hotel" or "motel" means a place of lodging that at
28 any one time will accommodate transient guests on a daily or
29 weekly basis.

30 **SECTION 2.** (1) For the purpose of providing funds to
31 promote tourism and improve parks and recreation within the City
32 of Petal, Mississippi, the governing authorities of the City of
33 Petal are authorized, in their discretion, to levy and collect
34 from the following persons a tax, which shall be in addition to
35 all of the taxes and assessments imposed. The tax shall be
36 imposed on the following persons:

37 (a) A tax upon every person, firm or corporation
38 operating a bar in the City of Petal, at a rate not to exceed two
39 percent (2%) of the gross proceeds of the sales of such bar;

40 (b) A tax upon every person, firm or corporation
41 operating a restaurant in the City of Petal, at a rate not to
42 exceed two percent (2%) of the gross proceeds of the sales of beer
43 and alcoholic beverages sold for consumption on the premises and
44 all prepared foods of such restaurant; and



45 (c) A tax upon every person, firm or corporation
46 operating hotels and motels in the city, in an amount not to
47 exceed two percent (2%) of the gross proceeds from overnight room
48 rental, exclusive of charges for food, telephone, laundry,
49 beverages and similar charges.

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

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

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



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

SECTION 3. Before any tax authorized under this act may be imposed, the governing authorities shall adopt a resolution declaring its intention to levy the tax, setting forth the amount of such tax to be imposed, the date upon which such tax shall become effective and calling for a referendum to be held on the question. Notice of such intention shall be published once each week for at least three (3) consecutive weeks in a newspaper published or having a general circulation in Forrest County, with the first publication of such notice to be made not less than twenty-one (21) days before the date fixed in the resolution for the election and the last publication to be made not more than seven (7) days before the referendum. At the referendum, all qualified electors of the City of Petal may vote, and the ballots used in such election shall have printed thereon a brief statement of the amount and purposes of the proposed tax levy and the words "FOR THE TAX" and, on a separate line, "AGAINST THE TAX," and the voters shall vote by placing a cross (X) or check (✓) opposite their choice on the proposition. When the results of any such referendum shall have been canvassed by the city election commission and certified, the city may levy the tax beginning on the first day of the second month following the referendum, only if at least sixty percent (60%) of the qualified electors who vote



93 in the election vote in favor of the tax. No public funds shall
94 be used for the purpose of promoting the adoption of the
95 referendum and no city employee may promote the referendum during
96 business hours.

97 **SECTION 4.** Persons, firms or corporations liable for the tax
98 imposed under this act shall add the amount of the tax to the
99 sales price and shall collect, insofar as practicable, the amount
100 of tax due from the person receiving the services or products at
101 the time of the payment therefor.

102 **SECTION 5.** Accounting for receipts and expenditures of the
103 funds described in this act must be made separately from the
104 accounting of receipts and expenditures of the general fund and
105 any other funds of the City of Petal. The records reflecting the
106 receipts and expenditures of the funds prescribed in this act
107 shall be audited annually by an independent certified public
108 accountant, and the accountant shall make a written report of his
109 audit to the governing authorities. The audit shall be made and
110 completed as soon as practicable after the close of the fiscal
111 year, and expenses of such audit shall be paid from the funds
112 derived pursuant to this act.

113 **SECTION 6.** This act shall be repealed from and after July 1,
114 2030.

115 **SECTION 7.** This act shall take effect and be in force from
116 and after its passage.

