

By: Representative Patterson

To: Local and Private
Legislation

HOUSE BILL NO. 1731

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 BILOXI, MISSISSIPPI, TO LEVY A TAX OF UP TO 3% ON THE GROSS
3 PROCEEDS FROM SITE RENTALS FOR RECREATIONAL VEHICLES FOR THE
4 PURPOSE OF PROVIDING FUNDS FOR THE COSTS OF THE CONSTRUCTION,
5 REPAIR, RECONSTRUCTION AND RESURFACING OF THOROUGHFARES WITHIN THE
6 CITY; TO PROVIDE FOR AN ELECTION ON WHETHER SUCH TAX MAY BE
7 LEVIED; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** As used in this act, the following terms shall
10 have the following meanings unless a different meaning is clearly
11 indicated by the context in which they are used:

12 (a) "City" means the City of Biloxi, Mississippi.

13 (b) "Costs," when used with respect to projects, as
14 hereinafter defined, includes the costs of engineering, legal and
15 related services, the costs of the preparation of plans,
16 specifications, traffic studies, surveys and estimates of costs
17 and revenues, and all other expenses incident to planning and
18 carrying out such projects.

19 (c) "Governing authorities" means the Mayor and City
20 Council of the City of Biloxi, Mississippi.



21 (d) "Persons" means natural persons and entities,
22 including without limitation corporations, partnerships, limited
23 liability companies and other associations.

24 (e) "Projects" means the construction, repair,
25 reconstruction and resurfacing of one or more thoroughfares within
26 the city with the projected cost of any one (1) project exceeding
27 One Million Dollars (\$1,000,000.00). A "thoroughfare" is a main
28 road or street that leads at each end into another road, street or
29 highway and is, or is projected to be, heavily traveled, and may
30 include one or more bridges.

31 (f) "Recreational vehicles" means vehicles such as
32 motor homes that provide transportation and human living
33 facilities, campers or trailers that provide human living
34 facilities and are designed to be towed by or mounted on a motor
35 vehicle, whether attached to a motor vehicle or not, buses that
36 provide human living facilities, and the like.

37 (g) "Sites" means locations in the city that are
38 offered for rent to the public on a nightly, weekly or monthly
39 basis for the overnight parking of recreational vehicles, mobile
40 home parks, recreational vehicle parks or resorts, trailer parks
41 and any other parcel of real property, whether offered for rent
42 continuously or only for special events, the income from which
43 site rentals is subject to state sales tax pursuant to Section
44 27-65-23, Mississippi Code of 1972. "Sites" does not include
45 locations offered for rent for the storage of recreational



46 vehicles which sites are not intended or used for overnight human
47 occupancy.

48 **SECTION 2.** (1) For purposes of providing funds for the
49 costs of projects, including the principal of and interest on debt
50 incurred under Section 5 of this act, the governing authorities
51 are authorized, in their discretion, to levy and collect a tax,
52 which shall be in addition to all other taxes and assessments
53 currently imposed, of up to three percent (3%) of the gross
54 proceeds of site rentals on all persons who offer sites for rent
55 to the public.

56 (2) Persons liable for the tax imposed under subsection (1)
57 of this section shall add the amount of the tax to the sales price
58 or rental rates of the sites and shall collect, insofar as is
59 practicable, the amount of the tax due by them from the person who
60 contracted for the use of the site at the time of payment
61 therefor.

62 (3) The tax shall be collected by and paid to the Department
63 of Revenue on a form prescribed by the Department of Revenue in
64 the manner that the state sales taxes are collected and paid, and
65 full enforcement provisions and all other provisions of Chapter
66 65, Title 27, Mississippi Code of 1972, shall apply as necessary
67 to the implementation and administration of this act.

68 (4) Except for any amount retained by the Department of
69 Revenue in accordance with Section 27-3-58, Mississippi Code of
70 1972, the proceeds of the tax shall be paid to the city on or



71 before the fifteenth day of the month following the month in which
72 collected.

73 (5) The proceeds of the tax shall not be considered by the
74 city as general fund revenues but shall be dedicated to and
75 expended solely for the purposes specified in Section 2 and
76 Section 5 of this act.

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



96 of the election shall have been canvassed and certified, the city
97 may levy the tax in the amount set forth in the authorizing
98 resolution if more than sixty percent (60%) of the qualified
99 electors who vote in the election vote in favor of the tax. At
100 least thirty (30) days before the effective date of the tax
101 provided in this section, the governing authorities shall furnish
102 to the Department of Revenue a certified copy of the resolution
103 authorizing the tax.

104 **SECTION 4.** Accounting for receipts and expenditures of the
105 funds herein described shall be made separately from the
106 accounting of receipts and expenditures of the general fund and
107 any other funds of the city. The records reflecting the receipts
108 and expenditures of the funds prescribed in this act shall be
109 included in the annual audit of the city's revenues and
110 expenditures by an independent certified public accountant, and
111 the accountant shall include, as part of the annual audit, a
112 written report of the revenues and expenditures of these funds to
113 the governing authorities.

114 **SECTION 5.** (1) The governing authorities are authorized to
115 incur debt, including bonds, notes or other evidences of
116 indebtedness, of the city for the purposes of providing funds to
117 pay costs of projects, and to pay all expenses in connection with
118 the authorization, sale and issuance of such debt including,
119 without limitation, printing and delivery costs, legal fees,



120 financial advisor fees, consultant fees, credit enhancement and
121 other expenses.

122 (2) The governing authorities, in their discretion, may
123 provide that debt incurred under this act is payable from a pledge
124 of the revenues derived from the tax authorized by this act,
125 either solely or in addition to the full faith and credit of the
126 city. Any such pledge shall be valid and binding as of the moment
127 it is made without the need of any filing or recordation. The
128 funds thus pledged, including any earnings thereon, shall be
129 immediately subject to such pledge without the need of the
130 physical delivery thereof or of any other action, and the pledge
131 shall be valid and binding and shall prevail against any third
132 party having a claim of any kind for damages, breach of contract
133 or other motive against the city, regardless of whether the third
134 party has been notified to that effect. Neither the indenture or
135 resolution, nor any collateral contract by means of which the
136 rights of the city to any revenues are pledged or assigned, shall
137 have to be filed or registered to formalize the pledge of the same
138 against any third party, except in the official records of the
139 city.

140 (3) Except as otherwise provided in this section, debt
141 issued under this act shall be issued in accordance with the
142 provisions of Sections 21-33-301 through 21-33-329, Mississippi
143 Code of 1972, or other applicable general law. Debt authorized to
144 be issued under this act shall not be included in the limitation



145 on indebtedness imposed in Section 21-33-303, Mississippi Code of
146 1972, or any other limitation on indebtedness of the city unless
147 such debt (i) is secured by the full faith and credit of the city
148 and (ii) is issued in an aggregate principal amount that exceeds
149 an amount for which debt service is capable of being funded by the
150 proceeds of the tax levied under this act, determined by assuming
151 that proceeds of the tax will be collected annually during the
152 term of such debt in an amount at least equal to the average
153 annual tax proceeds collected in the three (3) fiscal years of the
154 city immediately preceding the issuance of such debt.

155 (4) Interest on debt issued under this act, and any profits
156 obtained from their sale, shall be and remain at all times exempt
157 from the payment of all taxes imposed by the state or any of its
158 political subdivisions.

159 (5) Debt, including bonds, notes or other evidences of
160 indebtedness, issued pursuant to this act shall constitute lawful
161 investments and may be accepted as collateral for fiduciary, trust
162 and public funds, whose investment or deposit is under the
163 authority or the control of the state or of any official or
164 officials thereof or any political subdivision thereof.

165 (6) Debt issued pursuant to this act may be validated
166 pursuant to the provisions of Section 31-13-1 et seq., Mississippi
167 Code of 1972.

168 **SECTION 6.** The powers and authorities conferred by this act
169 shall be regarded as supplemental and additional to powers



170 conferred by any other laws of the state relating to the powers of
171 municipalities.

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

