

By: Senator(s) Chism

To: Local and Private

SENATE BILL NO. 2119

1 AN ACT TO AMEND CHAPTER 1016, LOCAL AND PRIVATE LAWS OF 2004,
 2 AS LAST AMENDED BY CHAPTER 940, LOCAL AND PRIVATE LAWS OF 2016, TO
 3 EXTEND THE DATE OF REPEAL ON THE PROVISION OF LAW THAT AUTHORIZES
 4 THE GOVERNING AUTHORITIES OF THE CITY OF PONTOTOC TO LEVY A TAX
 5 UPON THE GROSS SALES OF HOTELS, MOTELS AND RESTAURANTS FOR THE
 6 PROMOTION OF TOURISM AND PARKS AND RECREATION; AND FOR RELATED
 7 PURPOSES.

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

9 **SECTION 1.** Chapter 1016, Local and Private Laws of 2004, as
 10 amended by Chapter 962, Local and Private Laws of 2007, as amended
 11 by Chapter 955, Local and Private Laws of 2012, as amended by
 12 Chapter 940, Local and Private Laws of 2016, is amended as
 13 follows:

14 Section 1. As used in this act, the following terms shall
 15 have the following meanings unless a different meaning is clearly
 16 indicated by the context in which they are used:

17 (a) "Governing authorities" means the governing
 18 authorities of the City of Pontotoc, Mississippi.

19 (b) "Hotel" or "motel" means any establishment engaged
 20 in the business of furnishing or providing rooms intended or



21 designed for dwelling, lodging or sleeping purposes to transient
22 guests, where such establishment consists of six (6) or more guest
23 rooms and does not encompass any hospital, convalescent or nursing
24 home or sanitarium, or any hotel-like facility operated by or in
25 connection with a hospital or medical clinic providing rooms
26 exclusively for patients and their families.

27 (c) "Restaurant" means all places where prepared food
28 and beverages are sold for consumption, whether such food is
29 consumed on the premises or not. "Restaurant" as defined herein
30 does not include any school, hospital, convalescent or nursing
31 home, or any restaurant-like facility operated by or in connection
32 with a school, hospital, medical clinic, convalescent or nursing
33 home providing food for students, patients, visitors and their
34 families.

35 Section 2. (1) For the purpose of providing funds to
36 promote tourism and parks and recreation, the governing
37 authorities of the City of Pontotoc, Mississippi, are authorized,
38 in their discretion, to levy and collect from the persons
39 hereinafter specified a tax, which shall be in addition to all of
40 the taxes and assessments imposed. The tax shall be imposed on
41 the following persons:

42 (a) A tax upon every person, firm or corporation
43 operating a motel or hotel in the City of Pontotoc, Mississippi,
44 at a rate not to exceed two percent (2%) of the gross proceeds of
45 room rentals for each such hotel or motel.



46 (b) A tax upon every person, firm or corporation
47 operating a restaurant or such other business, where prepared food
48 or drink is sold to the public in the City of Pontotoc,
49 Mississippi, at a rate not to exceed two percent (2%) of the gross
50 proceeds of the sales of such restaurant or business.

51 (2) Persons, firms or corporations liable for the levy
52 imposed under subsection (1) of this section shall add the amount
53 of the levy to the sales price of the rooms and products set out
54 herein and shall collect, insofar as is practicable, the amount of
55 the tax due by them from the person receiving the services or
56 product at the time of payment 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 state sales taxes are computed,
60 collected and paid; and full enforcement provisions and all other
61 provisions of Chapter 65, Title 27, Mississippi Code of 1972,
62 shall apply as necessary to the implementation and administration
63 of this act.

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



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

72 Section 3. (1) Before the tax authorized by this act may be
73 imposed, the governing authorities shall adopt a resolution
74 declaring their intention to levy the tax, setting forth the
75 amount of such tax and establishing the date on which the tax
76 initially shall be levied and collected. Notice of the proposed
77 tax shall be published once each week for at least three (3)
78 consecutive weeks in a newspaper having a general circulation in
79 the City of Pontotoc. The first publication of the notice shall
80 be made not less than twenty-one (21) days before the date fixed
81 in the resolution on which the tax initially is to be levied and
82 collected, and the last publication of the notice shall be made
83 not more than seven (7) days before such date. If, within the
84 time of giving notice, twenty percent (20%) or one thousand five
85 hundred (1,500), whichever is less, of the qualified electors of
86 the City of Pontotoc, file a written petition against the levy of
87 such tax, then the tax shall not be levied unless authorized by a
88 sixty percent (60%) majority of the qualified electors of the City
89 of Pontotoc, voting at an election to be called and held for that
90 purpose. At least thirty (30) days before the effective date of
91 the tax, the governing authorities shall furnish to the Department
92 of Revenue a certified copy of the resolution evidencing such tax.



93 (2) If the tax levied under this chapter was imposed without
94 a vote of the electorate, the governing authorities shall, within
95 sixty (60) days after the effective date of House Bill No. 1328,
96 2012 Regular Session, by resolution spread upon its minutes,
97 declare the intention of the governing authorities to continue
98 imposing the tax and describe the tax levy including the tax rate,
99 annual revenue collections and the purposes for which the proceeds
100 are used. The resolution shall be published once a week for at
101 least three (3) consecutive weeks in a newspaper published or
102 having a general circulation in the municipality, with the first
103 publication to be made within fourteen (14) days after the
104 governing authorities adopt the resolution declaring their
105 intention to continue the tax. If, on or before the date
106 specified in the resolution for filing a written protest, which
107 date shall be not less than forty-five (45) days and not more than
108 sixty (60) days after the governing authorities adopt the
109 resolution, twenty percent (20%) or one thousand five hundred
110 (1,500), whichever is less, of the qualified electors of the
111 municipality file a written protest against the imposition of the
112 tax, then an election upon the levy and assessment of the tax
113 shall be called and held as in the manner provided for in
114 subsection (1) of this section, with the election to be conducted
115 at the next special election day as such is defined by Section
116 23-15-833, Mississippi Code of 1972, occurring more than sixty
117 (60) days after the date specified in the resolution for filing a



118 written protest. If the requisite number of qualified electors
119 vote against the imposition of the tax, the tax shall cease to be
120 imposed on the first day of the month following certification of
121 the election results by the election commissioners of the
122 municipality to the governing authorities. The governing
123 authorities shall notify the Department of Revenue of the date of
124 the discontinuance of the tax and shall publish sufficient notice
125 thereof in a newspaper published or having a general circulation
126 in the municipality. If no protest is filed, then the governing
127 authorities shall state that fact in their minutes and may
128 continue the levy and assessment of the tax.

129 This subsection (2) shall not apply if the revenue from the
130 tax authorized by this chapter has been contractually pledged for
131 the payment of debt incurred prior to the effective date of House
132 Bill No. 1328, 2012 Regular Session, until such time as the debt
133 is satisfied. Once the debt has been satisfied, the governing
134 authorities shall, within sixty (60) days, adopt a resolution
135 declaring the intention of the governing authorities to continue
136 the tax which shall initiate the procedure described in subsection
137 (1) of this section.

138 Section 4. Accounting for receipts and expenditures of the
139 funds herein described shall be made separately from the
140 accounting of receipts and expenditures of the general fund and
141 any other funds of the City of Pontotoc, Mississippi. The records
142 reflecting the receipts and expenditures of the funds prescribed



143 herein shall be audited annually by an independent certified
144 public accountant, and the accountant shall make a written report
145 of his audit to the governing authorities. The audit shall be
146 made and completed as soon as practicable after the close of the
147 fiscal year, and expenses of such audit shall be paid from the
148 funds derived in accordance with this act.

149 Section 5. The provisions of this act shall be repealed from
150 and after July 1, * * * 2024.

151 **SECTION 2.** This act shall take effect and be in force from
152 and after its passage.

