

By: Representative Williamson

To: Local and Private
Legislation; Appropriations

HOUSE BILL NO. 1362

1 AN ACT TO PROVIDE THAT WHEN THE GOVERNING AUTHORITY OF A
2 MUNICIPALITY OR THE BOARD OF SUPERVISORS OF A COUNTY IMPLEMENTS A
3 TOURISM TAX, THEN THE PROCEEDS OF SUCH TAX MAY BE UTILIZED BY THE
4 MUNICIPALITY OR COUNTY FOR A SEPARATE LAW ENFORCEMENT FIRST
5 RESPONDERS RETIREMENT FUND, WATER SYSTEM OR SEWER SANITATION
6 SYSTEM; TO PROVIDE THAT IN ORDER FOR THE PROCEEDS TO BE UTILIZED
7 IN SUCH MANNER, THE MUNICIPALITY OR COUNTY SHALL NOT LEVY ANY NEW
8 SPECIAL TAXES AND THERE MUST BE A REDUCTION IN DEBT OWED BY THE
9 MUNICIPALITY OR COUNTY; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** (1) When the governing authority of a
12 municipality or the board of supervisors of a county levies a
13 special tax upon the gross proceeds from the sales of hotels,
14 motels or restaurants, then one hundred percent (100%), less three
15 percent (3%) thereof which shall be retained by the Department of
16 Revenue to defray the cost of collecting the tax, may be utilized
17 by the municipality or county, as the case may be, in any one (1)
18 of the following areas or any combination thereof within the
19 municipality or county:

20 (a) The separate law enforcement first responders
21 retirement fund;



22 (b) The water system; and/or

23 (c) The sewer sanitation system.

24 (2) In order to utilize the proceeds of the tax as
25 authorized under subsection (1) of this section, the municipality
26 or county, as the case may be, shall not levy any new special
27 taxes and there must be a reduction of debt by the municipality or
28 county. If a new special tax is levied by the municipality or
29 county, as prohibited by this subsection, then the previous
30 special tax shall be permanently repealed.

31 (3) Any increase in debt by the municipality or county after
32 the implementation of the special tax levy shall suspend the
33 special tax levy until the debt falls below the level it was
34 previously before the implementation of the special tax levy.

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

