

By: Representative Scoggin

To: Local and Private
Legislation

HOUSE BILL NO. 1439

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
 2 LAUREL, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS OF
 3 SALES OF HOTELS AND MOTELS DERIVED FROM ROOM RENTALS FOR THE
 4 PURPOSE OF GENERATING REVENUE TO PROMOTE TOURISM; TO REQUIRE THAT
 5 AN ELECTION BE HELD ON THE QUESTION OF WHETHER THE TAX MAY BE
 6 LEVIED; TO AUTHORIZE THE CITY TO PERFORM CERTAIN OTHER ACTIONS AS
 7 NECESSARY TO EFFECTUATE THE PURPOSES OF THIS ACT; TO AUTHORIZE THE
 8 CITY TO DISCONTINUE THE TAX BY RESOLUTION, PROVIDED THERE IS NO
 9 INDEBTEDNESS OR OBLIGATION OUTSTANDING UNDER THIS ACT; AND FOR
 10 RELATED PURPOSES.

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

12 **SECTION 1.** As used in this act, the following terms shall
 13 have the following meanings unless a different meaning is clearly
 14 indicated by the context:

15 (a) "Authority" means the Economic Development
 16 Authority of Jones County created under Chapter 4, Laws of the
 17 First Extraordinary Session of 1983, as amended.

18 (b) "City" means the City of Laurel, Mississippi.

19 (c) "Governing authorities" means the mayor and city
 20 council of the city.

21 (d) "Hotel" or "motel" means any establishment engaged
 22 in the business of furnishing or providing rooms intended or



23 designed for dwelling, lodging or sleeping purposes to transient
24 guests on a daily, weekly or monthly basis and located within the
25 limits of the city. "Hotel" or "motel" includes Airbnb, Vacation
26 Rentals By Owner and similar establishments, but does not include
27 hospitals, nursing homes and assisted living facilities.

28 (e) "Person" means an individual, partnership,
29 corporation, limited liability company, trust or unincorporated
30 organization and a government or agency or political subdivision
31 thereof.

32 (f) "Tax" means the taxes authorized by Section 2 of
33 this act.

34 **SECTION 2.** (1) For the purpose of providing funds to
35 promote tourism in the city, including, but not limited to,
36 staffing, leasing, purchasing, building, constructing, improving
37 and renovating facilities for tourism, providing public safety to
38 promote tourism, and funding advertising and marketing campaigns
39 to promote and enhance tourism, the governing authorities are
40 authorized, in their discretion, to levy, assess and collect from
41 every person or entity operating a hotel or motel, in addition to
42 all other taxes currently being levied, assessed and collected,
43 the following taxes:

44 (a) A tax not to exceed one percent (1%) of the gross
45 proceeds of sales of room rentals for each such hotel or motel;
46 and



47 (b) A tax of Two Dollars (\$2.00) per day for each
48 occupied hotel or motel room.

49 (2) Persons or entities liable for the tax shall add the
50 amount of the tax to the sales price and shall collect the amount
51 of the tax due by them from the person receiving the services at
52 the time of payment.

53 **SECTION 3.** (1) Before levying the tax, the governing
54 authorities shall adopt a resolution declaring their intention to
55 hold an election on the question of whether to levy the tax,
56 setting forth the amount of the tax to be imposed, the effective
57 date of the tax and the date of the election. Notice of such
58 intention and election shall be published once each week for three
59 (3) consecutive weeks in a newspaper published or having a general
60 circulation in the city, with the first publication of the notice
61 to be made not less than twenty-one (21) days before the date
62 fixed in the resolution for the election and the last publication
63 to be made not more than seven (7) days before the election. The
64 election shall be conducted in the same manner as other city
65 elections, and the governing authorities shall direct the city
66 election commissioners to conduct the election as such. All
67 qualified electors of the city may vote, and the ballots used in
68 the election shall have printed thereon a brief statement of the
69 amount and purposes of the proposed tax levy and the words "FOR
70 THE TOURISM PROMOTION TAX" and, on a separate line, "AGAINST THE
71 TOURISM PROMOTION TAX," and the voters shall vote by placing a



72 cross (X) or check (✓) opposite their choice on the proposition.
73 After the results of the election have been canvassed and
74 certified, the city may levy the tax if a majority of the
75 qualified electors who vote in the election vote in favor of the
76 tax.

77 (2) At least thirty (30) days before the effective date of
78 the tax, the governing authorities shall furnish to the Department
79 of Revenue a certified copy of the resolution evidencing the tax.

80 **SECTION 4.** (1) The tax shall be collected by and paid to
81 the Mississippi Department of Revenue in the manner that state
82 sales taxes are computed, collected and paid, and the full
83 enforcement provisions and all other provisions of Chapter 65,
84 Title 27, Mississippi Code of 1972, shall apply as necessary to
85 the implementation and administration of this act.

86 (2) The proceeds of the tax, less three percent (3%) which
87 shall be retained by the Department of Revenue to cover the cost
88 of collection, shall be paid to the city on or before the
89 fifteenth day of the month following the month in which it was
90 collected.

91 (3) The proceeds of the tax shall not be considered by the
92 city as general fund revenues but shall be set aside and earmarked
93 by the city in a special account to be dedicated solely for the
94 purpose of promoting tourism in the city.

95 (4) The records reflecting the receipts and expenditures of
96 the revenue from the tax shall be audited annually by an



97 independent certified public accountant, and the accountant shall
98 make a written report of his audit to the governing authorities.
99 The audit shall be made and completed as soon as practicable after
100 the close of the fiscal year, and expenses of the audit may be
101 paid from the funds derived from the tax authorized in this act.

102 **SECTION 5.** The city is granted the following authority, in
103 addition to all other authority conferred by law, to promote
104 tourism in the city and to effectuate the purposes of this act:

105 (a) To acquire, construct, lease, rent, furnish, equip,
106 repair, maintain, staff and operate facilities and equipment
107 necessary or useful in the promotion of tourism in the city;

108 (b) To receive and expend revenues from any sources,
109 including, but not limited to, revenues from private enterprises
110 and the revenues derived from the tax authorized in this act;

111 (c) To contract or provide funding to other
112 governmental entities, including, but not limited to, Jones
113 County;

114 (d) To employ such personnel as deemed necessary by the
115 governing authorities to carry out this act;

116 (e) To contract for a term not to exceed ten (10) years
117 with the governing authorities or other public or private
118 organizations to promote tourism in the city; and

119 (f) To exercise activities related to promoting tourism
120 in the city, including, but not limited to, preparing marketing



121 and advertising campaigns and marketing and staging events to
122 promote tourism in the city.

123 **SECTION 6.** The city may pledge revenues derived from the tax
124 authorized in this act as security to repay any indebtedness of
125 the city which the city may otherwise be authorized to incur under
126 the laws of the state that is consistent with the purposes of this
127 act.

128 **SECTION 7.** Subject to the provisions of this act, and
129 provided there is no indebtedness or obligation outstanding under
130 this act, the governing authorities are authorized to discontinue
131 the tax levied under this act by adopting a resolution to that
132 effect. The discontinuance of the tax shall be effective
133 beginning on the first day of the month designated in the
134 resolution, and the tax levy shall not apply to sales made on or
135 after that date. A certified copy of the resolution discontinuing
136 the tax shall be delivered to the Department of Revenue at least
137 seven (7) days before the date set in the resolution for the
138 discontinuance of the tax.

139 **SECTION 8.** This act shall be repealed from and after July 1,
140 2026.

141 **SECTION 9.** This act shall take effect and be in force from
142 and after its passage.

