

By: Representative Weathersby

To: Local and Private
Legislation

HOUSE BILL NO. 1526

1 AN ACT TO AMEND CHAPTER 906, LOCAL AND PRIVATE LAWS OF 2018,
2 TO EXTEND THE DATE OF REPEAL FROM JULY 1, 2022, TO JULY 1, 2026,
3 ON THE PROVISION OF LAW THAT AUTHORIZES THE GOVERNING AUTHORITIES
4 OF THE CITY OF RICHLAND, MISSISSIPPI, TO LEVY A 3% TAX UPON THE
5 GROSS PROCEEDS OF ROOM RENTALS FROM HOTELS AND MOTELS WITHIN THE
6 CITY FOR THE PURPOSE OF PROMOTING TOURISM AND PARKS AND
7 RECREATION; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Chapter 906, Local and Private Laws of 2018, is
10 amended as follows:

11 Section 1. As used in this act:

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

13 (b) "Governing authorities" means the Mayor and Board
14 of Aldermen of the city.

15 (c) "Hotel" or "motel" means and includes a place of
16 lodging that at any one time will accommodate transient guests on
17 a daily, weekly or monthly basis and that is known to the trade as
18 such, and which is located within the city limits of the city.

19 Section 2. (1) For the purpose of providing funds for the
20 purpose of promoting tourism and parks and recreation, there is



21 levied and assessed and shall be collected from every person
22 engaged in operating a hotel or motel, in addition to all other
23 taxes currently being levied, assessed and collected, a tax of
24 three percent (3%) of the gross proceeds of sales of room rentals
25 of hotel and motel rooms for each hotel and motel in the city.

26 (2) Persons liable for the tax imposed in this section shall
27 add the amount of the tax to the sales price, as applicable, and,
28 in addition, shall collect, insofar as practicable, the amount of
29 the tax due by them from the person receiving the services at the
30 time of payment for the services.

31 Section 3. (1) The tax shall be collected by and paid to
32 the Department of Revenue in the same manner that state sales
33 taxes are computed, collected and paid, and the full enforcement
34 provisions of Chapter 65, Title 27, Mississippi Code of 1972,
35 shall apply as necessary to the implementation and administration
36 of this act.

37 (2) Except for any amount retained by the Department of
38 Revenue under Section 27-3-58, Mississippi Code of 1972, the
39 proceeds of the tax shall be paid to the city on or before the
40 fifteenth day of the month following the month in which they were
41 collected.

42 (3) Accounting for receipts and expenditures of the revenue
43 from the tax shall be made separately from the accounting of
44 receipts and expenditures of the general fund and any other funds
45 of the city. The records reflecting the receipts and expenditures



46 of the revenue from the tax shall be audited annually by an
47 independent certified public accountant, and the accountant shall
48 make a written report of his audit to the governing authorities.
49 The audit shall be made and completed as soon as practicable after
50 the close of the fiscal year, and expenses of the audit shall be
51 paid from the funds derived pursuant to this act.

52 (4) The proceeds of the tax shall not be considered by the
53 city as general fund revenues and shall be placed into a special
54 fund created separate and apart from any other fund of the city.

55 Section 4. Before any tax authorized under this act may be
56 imposed, the governing authorities shall adopt a resolution
57 declaring their intention to levy the tax, setting forth the
58 amount of the tax to be imposed, the date upon which the tax shall
59 become effective, and calling for an election to be held on the
60 question. The date of the election shall be fixed in the
61 resolution. Notice of such intention shall be published once each
62 week for at least three (3) consecutive weeks in a newspaper
63 published or having a general circulation in the city, with the
64 first publication of the notice to be made not less than
65 twenty-one (21) days before the date fixed in the resolution for
66 the election and the last publication to be made not more than
67 seven (7) days before the election. At the election, all
68 qualified electors of the city may vote, and the ballots used in
69 the election shall have printed thereon a brief statement of the
70 amount and purposes of the proposed tax levy and the words "FOR



71 THE TAX" and, on a separate line, "AGAINST THE TAX," and the
72 voters shall vote by placing a cross (X) or check (✓) opposite
73 their choice on the proposition. When the results of the election
74 shall have been canvassed and certified, the city may levy the tax
75 if sixty percent (60%) of the qualified electors who vote in the
76 election vote in favor of the tax. At least thirty (30) days
77 before the effective date of the tax provided in this section, the
78 governing authorities shall furnish to the Department of Revenue a
79 certified copy of the resolution evidencing the tax.

80 Section 5. The city is authorized to incur debt under the
81 provisions of this act or under any existing law authorizing notes
82 or other evidences of debt. The governing authorities, in their
83 discretion, may pledge the revenues derived from the tax levy
84 authorized by this act to repay any indebtedness of the city which
85 the city may be authorized to incur under the laws of the state.

86 Section 6. Subject to the provisions of this act and
87 provided that there is no indebtedness or obligations outstanding
88 pursuant to the provisions of this act, the tax levied under this
89 act may be discontinued by an action of the governing authority
90 adopting a resolution to that effect. The discontinuance of the
91 tax shall be effective beginning on the first day of the month
92 designated in the resolution and the tax levy shall not apply to
93 sales made on and after that date. A certified copy of the
94 resolution discontinuing the tax shall be delivered to the



95 Department of Revenue at least seven (7) days before the date set
96 in the resolution for the discontinuance of the tax.

97 Section 7. This act shall be repealed from and after July
98 1, * * * 2026.

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

