

By: Representatives Felsher, Bennett,
Crawford, Haney, McKnight, Patterson, Eure

To: Local and Private
Legislation

HOUSE BILL NO. 1757
(As Sent to Governor)

1 AN ACT TO AMEND SECTIONS 1 THROUGH 12 OF CHAPTER 1012, LOCAL
2 AND PRIVATE LAWS OF 2004, TO CLARIFY THAT THE 2% TAX LEVIED ON
3 ROOM RENTALS OF HOTELS AND MOTELS IN HARRISON COUNTY, MISSISSIPPI,
4 WHICH SUPPORTS THE IMPROVEMENT AND EXPANSION OF THE MISSISSIPPI
5 COAST COLISEUM AND CONVENTION CENTER, SHALL SOLELY APPLY TO
6 OVERNIGHT ROOM RENTALS OF THE HOTELS AND MOTELS AND SHALL NOT
7 APPLY TO ANY ANCILLARY REVENUES DERIVED FROM HOTEL OR MOTEL
8 PATRONS; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** Sections 1 through 12 of Chapter 1012, Local and
11 Private Laws of 2004, are amended as follows:

12 Section 1. For the purposes of Sections 1 through 12 of this
13 act:

14 (a) "Board of supervisors" means the Board of
15 Supervisors of Harrison County, Mississippi.

16 (b) "County" means Harrison County, Mississippi.

17 (c) "Hotel" or "motel" means and includes any
18 establishment engaged in the business of furnishing or providing
19 more than ten (10) rooms intended or designed for dwelling,
20 lodging or sleeping purposes that at any one time will accommodate



21 transient guests on a daily or weekly basis and that are known to
22 the trade as such.

23 Section 2. (1) Before the issuance of bonds provided for in
24 Section 6 of this act, the board of supervisors shall levy, assess
25 and collect from every person, firm, corporation or other entity
26 operating hotels or motels in the county, a tax, in addition to
27 all other taxes or assessments now imposed, which shall be equal
28 to two percent (2%) of the gross proceeds from room rentals of all
29 hotels or motels in the county. However, such tax shall solely
30 apply to overnight room rentals of hotels and motels within the
31 county and shall not apply to any ancillary revenues derived from
32 hotel or motel patrons including, but not limited to, resort fees,
33 meeting rooms, pool passes and food and beverage sales.

34 (2) Persons, firms, corporations or other entities liable
35 for the tax imposed by subsection (1) of this section shall add
36 the amount of such tax to the room rental and in addition thereto
37 shall collect, insofar as practicable, the amount of the tax due
38 from the person renting the room at the time of payment therefor.

39 Section 3. (1) Before any tax authorized under Sections 1
40 through 12 of this act may be imposed, the governing authorities
41 shall adopt a resolution declaring its intention to levy the
42 taxes, setting forth the amount of such tax to be imposed, the
43 date upon which such taxes shall become effective and calling for
44 a referendum to be held on the question. The date of the
45 referendum shall be the first Tuesday after the first Monday in



46 November 2004. Notice of such intention shall be published once
47 each week for at least three (3) consecutive weeks in a newspaper
48 published or having a general circulation in the county, with the
49 first publication of such notice to be made not less than
50 twenty-one (21) days before the date fixed in the resolution for
51 the referendum and the last publication to be made not more than
52 seven (7) days before the referendum. At the referendum, all
53 qualified electors of the county may vote, and the ballots used in
54 such referendum shall have printed thereon a brief statement of
55 the amount and purposes of the proposed tax levy and the words
56 "FOR THE HOTEL-MOTEL TAX TO FUND THE IMPROVEMENT AND EXPANSION OF
57 THE MISSISSIPPI COAST COLISEUM AND CONVENTION CENTER" and, on a
58 separate line, "AGAINST THE HOTEL-MOTEL TAX TO FUND THE
59 IMPROVEMENT AND EXPANSION OF THE MISSISSIPPI COAST COLISEUM AND
60 CONVENTION CENTER", and the voters shall vote by placing a cross
61 (X) or check (✓) opposite their choice on the proposition. When
62 the results of any such referendum shall have been canvassed by
63 the election commission and certified, the county may levy the
64 taxes beginning on the first day of the second month following the
65 referendum, only if at least sixty percent (60%) of the qualified
66 electors who vote in the election vote in favor of the tax. No
67 public funds shall be used for the purpose of promoting the
68 adoption of the referendum and no employee of the county or any
69 city located in the county, other than elected public officials,
70 may promote the referendum during business hours.



71 (2) If a referendum has been held under the provisions of
72 subsection (1) of this section, and the authority of the county to
73 impose the convention center taxes has been denied by the electors
74 of the county, a subsequent referendum on the issue may be held on
75 the first Tuesday after the first Monday in November 2006. If a
76 second referendum is held, and the authority to impose the
77 convention center taxes has been denied again by the electors of
78 the county, no further referendum may be held.

79 Section 4. (1) On or before the fifteenth day of the month
80 prior to the imposition of the tax authorized in Section 2 of this
81 act, the board of supervisors shall give written notification to
82 the * * * Commissioner of Revenue of the date on which the tax
83 will become effective.

84 (2) The tax shall be collected by and paid to the * * *
85 Department of Revenue in the same manner as state sales taxes are
86 computed, collected and paid, and full enforcement provisions and
87 all other provisions of Chapter 65, Title 27, Mississippi Code of
88 1972, shall apply as necessary to the implementation of Sections 1
89 through 12 of this act.

90 (3) Except as otherwise provided in Section 27-3-58, the
91 revenue from the special tax collected under the provisions of
92 this section during the preceding month shall be paid to the
93 county on or before the fifteenth day of each month.

94 (4) The proceeds of such taxes shall be placed into a
95 separate fund apart from the county general fund and any other



96 funds of the county, and shall be expended by the county as
97 provided in Section 10(1) of this act.

98 (5) The tax imposed by Sections 1 through 12 of this act
99 shall stand repealed on the first day of the month immediately
100 succeeding the date the payment of the principal of, redemption
101 premium, if any, and interest on the bonds issued pursuant to
102 Sections 1 through 12 of this act have been paid in full. Any
103 revenue from the tax remaining after the payment of the principal
104 of, redemption premium, if any, and interest on the bonds issued
105 pursuant to Sections 1 through 12 of this act have been paid in
106 full shall be transferred to the county general fund.

107 Section 5. The proceeds of the bonds issued pursuant to
108 Sections 1 through 12 of this act shall be utilized:

109 (a) For the purpose of defraying the cost of
110 constructing, repairing, equipping, remodeling, enlarging,
111 expanding or improving the Mississippi Coast Coliseum and
112 Convention Center; and

113 (b) To retire bonds issued by the county after May 1,
114 1995, but prior to the effective date of this act, to defray the
115 cost of expanding the Mississippi Coast Coliseum and Convention
116 Center.

117 Section 6. The board of supervisors is authorized and
118 empowered, in its discretion, to issue general obligation bonds of
119 the county in the aggregate principal amount not to exceed
120 Sixty-eight Million Dollars (\$68,000,000.00) for the purposes



121 provided for in Section 5 of this act. As used in Sections 1
122 through 12 of this act, "bonds" shall be deemed to mean and
123 include bonds, refunding bonds, notes or certificates of
124 participation. The full faith and credit of the county shall be
125 irrevocably pledged for the payment of the principal of and
126 interest on the bonds.

127 Section 7. Bonds authorized by Sections 1 through 12 of this
128 act, other than refunding bonds, shall be issued pursuant to
129 Sections 19-9-1 through 19-9-31 or as may be otherwise provided by
130 law; however, no election shall be held under the provisions of
131 Sections 19-9-1 through 19-9-31, upon the question of the issuance
132 of bonds authorized under Sections 1 through 12 of this act.

133 Section 8. Bonds issued pursuant to Sections 1 through 12 of
134 this act shall not be deemed indebtedness within the meaning of
135 Section 19-9-5. Bonds issued pursuant to Sections 1 through 12 of
136 this act shall be submitted by validation under Sections 31-13-1
137 through 31-13-11.

138 Section 9. Bonds issued under Sections 1 through 12 of this
139 act may be refunded at any time and from time to time by the
140 county pursuant to an authorizing resolution of the board of
141 supervisors, directing issuance of refunding bonds in accordance
142 with the "Mississippi Bond Refinancing Act" (Section 31-27-1 et
143 seq., Mississippi Code of 1972).

144 Section 10. (1) The avails of the tax provided for in
145 Sections 1 through 12 of this act shall be used solely for the



146 payment of the principal of, redemption premium, if any, and
147 interest on the bonds, and for the payment of expenses of issuance
148 thereof or reserve funds therefor.

149 (2) To the extent the proceeds of the tax provided for in
150 Sections 1 through 12 of this act and any other amounts which may,
151 from time to time, be available for the payment of the principal
152 of, redemption premium, if any, and interest on the bonds,
153 including any available revenues of the project, are not
154 sufficient for such purpose, the board of supervisors shall levy a
155 special ad valorem tax upon all of the taxable property within the
156 county which shall be sufficient, together with other money
157 available for such purpose, to provide for the payment of the
158 principal of, redemption premium, if any, and interest on such
159 bonds according to the terms thereof.

160 Section 11. Sections 1 through 12 of this act shall be
161 liberally construed for the purposes herein set out, the power
162 hereby granted shall be deemed to be full and complete authority
163 for the issuance of bonds under Sections 1 through 12 of this act
164 and shall be construed as additional, cumulative and supplemental
165 to any power granted to the county by any general or local and
166 private act of the Legislature.

167 Section 12. The provisions of Sections 1 through 12 of this
168 act shall be repealed in the event that two (2) referenda on the
169 question of imposing convention center taxes have been denied by
170 the electors of the county. If this event occurs, the Circuit



171 Clerk of Harrison County shall notify the Chairmen of the Local
172 and Private Committees of the House of Representatives and Senate
173 of the Mississippi State Legislature.

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

