

By: Senator(s) Turner-Ford, Williams

To: Local and Private

SENATE BILL NO. 2993

1 AN ACT TO AMEND CHAPTER 950, LOCAL AND PRIVATE LAWS OF 1994,
2 AS LAST AMENDED BY CHAPTER 915, LOCAL AND PRIVATE LAWS OF 2018, TO
3 EXTEND THE REPEAL DATE FROM JUNE 30, 2022, TO JUNE 30, 2026, ON
4 THE CITY OF STARKVILLE'S ECONOMIC DEVELOPMENT, TOURISM AND
5 CONVENTION TAX ON THE GROSS REVENUE FROM RESTAURANT SALES; AND FOR
6 RELATED PURPOSES.

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

8 **SECTION 1.** Chapter 950, Local and Private Laws of 1994, as
9 amended by Chapter 1014, Local and Private Laws of 2004, as
10 amended by Chapter 929, Local and Private Laws of 2015, as amended
11 by Chapter 915, Local and Private Laws of 2018, is amended as
12 follows:

13 Section 1. The following words shall have the meaning
14 ascribed to them in this section unless the context clearly
15 indicates otherwise:

16 (a) "City" means the City of Starkville, Mississippi.

17 (b) "EDA" means the Oktibbeha County Economic
18 Development Authority, a governmental subdivision of Oktibbeha
19 County, created by the Board of Supervisors of Oktibbeha County,
20 pursuant to Chapter 880, Local and Private Laws of 1984.



21 (c) "Fiscal year" means the period from October 1 to
22 September 30 of each calendar year.

23 (d) "Governing authority" means the Mayor and Board of
24 Aldermen of the City of Starkville, Mississippi.

25 (e) "Gross income" means the total revenue generated by
26 a restaurant from the sale of prepared or prepackaged food,
27 alcoholic and nonalcoholic beverages.

28 (f) "Restaurant" means and includes all places where
29 prepared food and beverages are sold for consumption either upon
30 or off the premises and is to include catering activities for
31 prepared food sold from within the city limits of Starkville,
32 Mississippi. "Restaurant" as defined herein does not include any
33 school, hospital, convalescence or nursing home or any
34 restaurant-like facility operated by or in connection therewith
35 providing food for students, teachers, patients, visitors and
36 their families.

37 (g) "Starkville parks" means the various public parks
38 and recreational facilities located within the City of Starkville,
39 Mississippi, that are acquired, constructed and/or managed by the
40 governing authorities or a commission designated by the governing
41 authority.

42 (h) "VCC" means the Visitors and Convention Council
43 organized and created by Chapter 854, Local and Private Laws of
44 1986.



45 Section 2. (1) Subject to provisions of subsection (2) of
46 this section, the governing authority is authorized, in its
47 discretion, to provide funds for the purposes provided for in
48 subsection (3) of this section. The tax authorized under this act
49 shall be levied, assessed and collected upon the gross revenue of
50 every restaurant operating within the city and shall be cited as
51 an "Economic Development, Tourism and Convention Tax" and shall be
52 in addition to all other taxes now imposed, as hereinafter
53 provided:

54 (a) The tax shall be a sum equal to two percent (2%) of
55 the gross income of restaurants derived from retail sales of
56 prepared food, alcoholic and nonalcoholic beverages.

57 (b) Persons, firms or corporations liable for the tax
58 imposed shall add the amount of the tax to the sales price of
59 goods described in subsection (1)(a) of this section and, in
60 addition, shall collect, insofar as practicable, the amount of the
61 tax due by them from the person receiving the services or goods at
62 the time of payment therefor.

63 (c) The tax shall be collected and paid to the
64 Department of Revenue, on a form to be prescribed by the
65 Department of Revenue, in the same manner that state sales taxes
66 are computed, collected and paid; and the full enforcement
67 provisions and all other provisions of the Mississippi Sales Tax
68 Law shall apply as necessary to the implementation and
69 administration of this act.



70 (d) The proceeds of the tax, less three percent (3%) to
71 be retained by the Department of Revenue to defray the cost of
72 collections, shall be paid to the City of Starkville, to be placed
73 into a special fund created apart and separate from any other city
74 fund, on or before the fifteenth day of the month following the
75 month during which the tax is collected and shall on or before the
76 fifteenth day of the following month be delivered to the
77 appropriate entities as provided by subsection (3) of this
78 section.

79 (2) Before the tax authorized by this act may be imposed,
80 the governing authority shall adopt a resolution declaring its
81 intention to levy the tax and establish the amount of the tax levy
82 and the date on which the tax initially shall be levied and
83 collected. This date shall be the first day of a particular
84 month. The adoption of this tax shall be made by the governing
85 authority by placing the issue upon a ballot to be determined by
86 the qualified electors in the City of Starkville. The tax shall
87 not be levied unless authorized by the vote of a majority of the
88 qualified electors in the city voting at an election to be called
89 and held for that purpose. Before the effective date of the tax
90 levy approved as herein provided, the governing authority shall
91 furnish to the Chairman of the Department of Revenue a certified
92 copy of the resolution evidencing such a tax levy.

93 (3) Fifteen percent (15%) of the proceeds derived from the
94 tax collected under this act shall be distributed by the governing



95 authority to the EDA to be expended by the EDA solely for economic
96 and community development. Fifteen percent (15%) of the proceeds
97 derived from the tax collected under this act shall be distributed
98 by the governing authority to the VCC to be expended by the VCC
99 solely to enhance community development and for the expansion of
100 tourism and conventions. Ten percent (10%) of the proceeds
101 derived from the tax collected under this act shall be retained
102 and expended by the governing authority solely for economic and
103 community development projects, initiatives or opportunities.
104 Forty percent (40%) of the proceeds derived from the tax collected
105 under this act shall be distributed annually by the governing
106 authority to Starkville parks to be expended for park and
107 recreational improvements. Twenty percent (20%) of the proceeds
108 derived from the tax collected under this act shall be distributed
109 by the governing authority to Mississippi State University to be
110 expended by the university solely to enhance student-related
111 activities.

112 (4) The proceeds of the tax collected under this act shall
113 not be considered by the city as general fund revenues, but shall
114 be dedicated solely for the purpose of carrying out those programs
115 and activities which are designed by the governing authority
116 through concurrent contracts with the VCC, EDA, Starkville parks
117 and Mississippi State University or through interlocal agreements
118 as provided by Section 17-13-17, Mississippi Code of 1972, as
119 amended.



120 Section 3. (1) The governing authority shall retain the
121 right to approve or disapprove budgets of the agencies funded
122 under this act with respect to funds approved and disbursed to the
123 agencies under this act. A detailed budget of funds requested by
124 the VCC, EDA, Starkville parks and Mississippi State University
125 shall be submitted to the city with each year's request for funds.

126 (2) The governing authority shall retain the right to
127 prescribe such requirements with respect to budgeting,
128 establishment of funds, management, record keeping, reporting and
129 audit as may be necessary for the proper protection of funds
130 approved and disbursed under this act.

131 Section 4. The books of the entities receiving funds
132 disbursed under this act shall be audited annually by an
133 independent certified public accountant or the State Auditor. A
134 copy of each audit report shall be filed with the governing
135 authority within fifteen (15) calendar days after receipt thereof
136 by entities. No expenditure, purchase or transaction shall be
137 made or authorized in violation of the laws of the State of
138 Mississippi governing public purchasing, bidding, contracting or
139 auditing.

140 Section 5. (1) The first budget of receipts and
141 expenditures under the provisions of this act shall cover the
142 period beginning with the effective date of the tax and ending
143 with the end of the fiscal year and, thereafter, the budget shall
144 be on the fiscal-year basis provided herein.



145 (2) Accounting for receipts and expenditures of the funds
146 herein described shall be made separately from the accounting of
147 receipts and expenditures of the general fund and other funds of
148 the City of Starkville. The record reflecting receipts and
149 expenditures of the funds described herein shall be audited by an
150 independent certified public accountant and such accountant shall
151 make a written report of the audit to the governing authority.
152 Such audit shall be made and completed as soon as practicable
153 after the close of the fiscal year and the expenses of such audit
154 may be paid from funds derived under Section 2 of this act.

155 Section 6. This act shall stand repealed from and after June
156 30, * * * 2026.

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

