

By: Senator(s) Chassaniol

To: Local and Private

SENATE BILL NO. 3181

1 AN ACT TO AMEND CHAPTER 879, LOCAL AND PRIVATE LAWS OF 1992,  
 2 AS LAST AMENDED BY CHAPTER 921, LOCAL AND PRIVATE LAWS OF 2018, TO  
 3 EXTEND THE DATE OF REPEAL ON THE PROVISIONS OF LAW THAT  
 4 ESTABLISHES THE GRENADA TOURISM COMMISSION AND AUTHORIZES THE  
 5 IMPOSITION OF A TOURIST AND CONVENTION TAX, TOGETHER WITH AN  
 6 ADDITIONAL TAX ON HOTELS, MOTELS AND RESTAURANTS FOR THE PURPOSE  
 7 OF PROVIDING FUNDS TO CONSTRUCT, FINANCE AND OPERATE A SPORTS  
 8 PARK; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** Chapter 879, Local and Private Laws of 1992, as  
 11 amended by Chapter 975, Local and Private Laws of 1994, as amended  
 12 by Chapter 905, Local and Private Laws of 1999, as amended by  
 13 Chapter 943, Local and Private Laws of 2003, as amended by Chapter  
 14 958, Local and Private Laws of 2007, as amended by Chapter 940,  
 15 Local and Private Laws of 2011, as amended by Chapter 935, Local  
 16 and Private Laws of 2015, as amended by Chapter 921, Local and  
 17 Private Laws of 2018, is amended as follows:

18 Section 1. The following words and phrases shall have the  
 19 meanings ascribed in this section unless the context clearly  
 20 indicates otherwise:



21 (a) "Bar" means any bar, tavern or lounge where  
22 alcoholic beverages are sold for consumption on the premises;

23 (b) "Commission" means the Grenada Tourism Commission;

24 (c) "City" means the City of Grenada, Mississippi;

25 (d) "Governing authorities" means the Mayor and City  
26 Council of the City of Grenada;

27 (e) "Hotel" or "motel" means a place of lodging with  
28 more than six (6) rental units that at any one time will  
29 accommodate transient guests on a daily or weekly basis and that  
30 is known to the trade as such;

31 (f) "Prepared food" means food prepared on the  
32 premises;

33 (g) "Restaurant" means any place, including hotel and  
34 motel dining rooms, cafeterias, cafes and lunch stands, as well as  
35 grocery and convenience stores where prepared food and drink are  
36 sold for consumption either upon or off the premises.

37 Section 2. (1) There is created and established the Grenada  
38 Tourism Commission, hereinafter referred to in this act as the  
39 "commission." The governing authority of the City of Grenada,  
40 Mississippi, shall be authorized to contract with the Grenada  
41 Tourism Commission for the administrative responsibilities of a  
42 tourism program for the Grenada area. All contracts between the  
43 commission and the City of Grenada, Mississippi, shall be signed  
44 by the chairman of the commission and shall be on such terms and  
45 for such duration as the parties may agree. Minutes of all



46 meetings shall be kept by the commission and submitted to the  
47 Grenada City Council.

48 (2) The commission shall have jurisdiction and authority  
49 over all matters relating to establishing, promoting and  
50 developing tourism, along with related matters in the Grenada  
51 area. The commission shall be authorized to own, lease, rent or  
52 otherwise furnish, equip and operate any and all facilities and  
53 equipment necessary or useful in the promotion of tourism and to  
54 receive and expend, subject to the provisions of this act,  
55 revenues from other sources.

56 (3) The commission shall be composed of seven (7) members as  
57 follows:

58 (a) One (1) member shall be selected by the Grenada  
59 Restaurant Association;

60 (b) One (1) member shall be selected by the Grenada  
61 Motel/Hotel Association;

62 (c) One (1) member shall be selected by the Grenada  
63 Hotel/Motel and Restaurant Association;

64 (d) The Director of the Grenada County Chamber of  
65 Commerce or an employee of the Chamber of Commerce appointed by  
66 the Director of the Chamber;

67 (e) One (1) member of the business community at large  
68 appointed by the Board of Directors of the Chamber of Commerce;  
69 and



70 (f) Two (2) members at large from the city, one (1) of  
71 which must be minority, appointed by the Grenada City Council.

72 Appointments to the commission shall be for a term of two (2)  
73 years.

74 Any vacancy which may occur shall be filled by the appointing  
75 authority for the unexpired term. Each member shall serve until  
76 his successor is appointed and qualifies.

77 The members shall elect from among themselves a chairman. A  
78 member of the commission shall not serve as chairman for more than  
79 two (2) consecutive two-year terms.

80 (4) The commission is authorized to employ personnel, to  
81 obtain supplies, furnishings and other facilities necessary to  
82 administer the affairs and duties of the commission, and to pay  
83 for the same out of the revenue provided by this act.

84 Section 3. (1) (a) For the purpose of providing funds for  
85 the commission to promote tourism and conventions, the governing  
86 authorities are authorized to levy upon every person, firm or  
87 corporation operating a hotel or motel in such city, a tax, which  
88 may be cited as a "tourism tax," at a rate not to exceed two  
89 percent (2%) of the gross proceeds of sales from room rentals of  
90 hotels and motels in the city, including charges for telephone,  
91 laundry and other similar charges. The tax shall not be levied  
92 upon or collected from gross proceeds of nontaxable rooms or room  
93 rentals for day meetings that do not serve as overnight sleeping



94 accommodations. Such tax shall be in addition to all other taxes  
95 now imposed.

96 (b) For the purpose of constructing, financing and  
97 operating a sports park, the governing authorities are authorized  
98 to levy upon every person, firm or corporation operating a hotel  
99 or motel in the city, an additional tax, in an amount not to  
100 exceed one percent (1%) of the gross proceeds of sales from room  
101 rentals of hotels and motels in the city, including charges for  
102 telephone, laundry and other similar charges. The tax shall not  
103 be levied upon or collected from gross proceeds of nontaxable  
104 rooms or room rentals for day meetings that do not serve as  
105 overnight sleeping accommodations. The tax shall be in addition  
106 to all other taxes now imposed.

107 (2) (a) The governing authorities also are authorized to  
108 impose upon persons doing business within the city other than the  
109 tax imposed on hotel and motel rooms under subsection (1) of this  
110 section, a tax at a rate of not to exceed one percent (1%) on the  
111 gross receipts of restaurants and bars from retail sales of  
112 prepared food, beer and/or alcoholic beverages; however, the tax  
113 shall not apply to restaurants/bars whose gross proceeds of sales  
114 or gross income is less than One Hundred Thousand Dollars  
115 (\$100,000.00) per calendar year based upon sales or income for the  
116 preceding calendar year. For the purposes of calculating gross  
117 proceeds of sales or gross income, the sales or income of all



118 establishments owned, operated or controlled by the same person,  
119 persons or corporations shall be aggregated.

120 (b) For the purpose of constructing, financing and  
121 operating a sports park, the governing authorities are authorized  
122 to impose upon persons doing business within the city an  
123 additional tax at a rate of not to exceed one percent (1%) on the  
124 gross receipts of restaurants and bars from retail sales of  
125 prepared food, beer and/or alcoholic beverages; however, the tax  
126 shall not apply to restaurants/bars whose gross proceeds of sales  
127 or gross income is less than One Hundred Thousand Dollars  
128 (\$100,000.00) per calendar year based upon sales or income for the  
129 preceding calendar year. For the purposes of calculating gross  
130 proceeds of sales or gross income, the sales or income of all  
131 establishments owned, operated or controlled by the same person,  
132 persons or corporations shall be aggregated. The tax shall be in  
133 addition to all other taxes now imposed.

134 (3) (a) Before a tax authorized by this act may be imposed,  
135 the governing authority of the City of Grenada, Mississippi, shall  
136 adopt a resolution declaring its intention to levy the tax and  
137 establishing the amount of the tax levy and the date on which this  
138 tax initially shall be levied and collected. This date shall be  
139 the first day of a month but shall not be sooner than the first  
140 day of the second month following the date of adoption of the  
141 resolution. Notice of the proposed tax levy shall be published  
142 once each week for at least three (3) consecutive weeks in a



143 newspaper having a general circulation in the city. The first  
144 publication of such notice shall be made not less than twenty-one  
145 (21) days prior to the date fixed in the resolution on which the  
146 governing authority proposes to levy such tax, and the last  
147 publication of such notice shall be made not more than seven (7)  
148 days prior to such date. If, within the time of giving notice,  
149 twenty percent (20%) or fifteen hundred (1500), whichever is less,  
150 of the qualified electors of the city file a written petition  
151 against the levy of such tax, then such tax shall not be levied  
152 unless authorized by a majority of the qualified electors of such  
153 city voting at an election called and held for that purpose.  
154 Prior to the effective date of the tax levy approved as herein  
155 provided, the governing authority shall furnish to the Chairman of  
156 the Department of Revenue a certified copy of the resolution  
157 evidencing such tax levy. This paragraph shall not apply to the  
158 tax authorized to be levied under subsections (1) (b) and (2) (b) of  
159 this section.

160 (b) If the tax levied under subsections (1) (a) and  
161 (2) (a) of this section was imposed without a vote of the  
162 electorate, the governing authorities shall, within sixty (60)  
163 days after the effective date of House Bill No. 1425, 2015 Regular  
164 Session, by resolution spread upon its minutes, declare the  
165 intention of the governing authorities to continue imposing the  
166 tax and describe the tax levy including the tax rate, annual  
167 revenue collections and the purposes for which the proceeds are



168 used. The resolution shall be published once a week for at least  
169 three (3) consecutive weeks in a newspaper published or having a  
170 general circulation in the municipality, with the first  
171 publication to be made within fourteen (14) days after the  
172 governing authorities adopt the resolution declaring their  
173 intention to continue the tax. If, on or before the date  
174 specified in the resolution for filing a written protest, which  
175 date shall be not less than forty-five (45) days and not more than  
176 sixty (60) days after the governing authorities adopt the  
177 resolution, twenty percent (20%) or one thousand five hundred  
178 (1,500), whichever is less, of the qualified electors of the  
179 municipality file a written protest against the imposition of the  
180 tax, then an election upon the levy and assessment of the tax  
181 shall be called and held as in the manner provided for in  
182 paragraph (a) of this subsection, with the election to be  
183 conducted at the next special election day as such is defined by  
184 Section 23-15-833, Mississippi Code of 1972, occurring more than  
185 sixty (60) days after the date specified in the resolution for  
186 filing a written protest. If the requisite number of qualified  
187 electors vote against the imposition of the tax, the tax shall  
188 cease to be imposed on the first day of the month following  
189 certification of the election results by the election  
190 commissioners of the municipality to the governing authorities.  
191 The governing authorities shall notify the Department of Revenue  
192 of the date of the discontinuance of the tax and shall publish





193 sufficient notice thereof in a newspaper published or having a  
194 general circulation in the municipality. If no protest is filed,  
195 then the governing authorities shall state that fact in their  
196 minutes and may continue the levy and assessment of the tax.

197 This paragraph (b) shall not apply if the revenue from the  
198 tax authorized by this chapter has been contractually pledged for  
199 the payment of debt incurred prior to the effective date of House  
200 Bill No. 1425, 2015 Regular Session, until such time as the debt  
201 is satisfied. Once the debt has been satisfied, the governing  
202 authorities, shall within sixty (60) days, adopt a resolution  
203 declaring the intention of the governing authorities to continue  
204 the tax which shall initiate the procedure described in paragraph  
205 (a) of this section.

206 (c) Before the additional tax authorized under  
207 subsections (1)(b) and (2)(b) of this section may be imposed, the  
208 governing authorities shall adopt a resolution declaring their  
209 intention to levy the tax, setting forth the amount of the tax to  
210 be imposed, the date upon which the tax shall become effective and  
211 calling for an election to be held on the question. The date of  
212 the election shall be fixed in the resolution. Notice of such  
213 intention and the election shall be published once each week for  
214 at least three (3) consecutive weeks in a newspaper published or  
215 having a general circulation in the city, with the first  
216 publication of the notice to be made not less than twenty-one (21)  
217 days before the date fixed in the resolution for the election and



218 the last publication to be made not more than seven (7) days  
219 before the election. At the election, all qualified electors of  
220 the city may vote, and the ballots used in the election shall have  
221 printed thereon a brief statement of the amount and purposes of  
222 the proposed tax levy and the words "FOR THE TAX" and, on a  
223 separate line, "AGAINST THE TAX" and the voters shall vote by  
224 placing a cross (X) or check (✓) opposite their choice on the  
225 proposition. When the results of the election shall have been  
226 canvassed and certified, the city may levy the additional tax if  
227 sixty percent (60%) of the qualified electors who vote in the  
228 election vote in favor of the tax. At least thirty (30) days  
229 before the effective date of the additional tax, the governing  
230 authorities shall furnish to the Department of Revenue a certified  
231 copy of the resolution evidencing the tax.

232 (4) Persons, firms or corporations liable for the tax  
233 imposed herein shall add the amount of tax to the sales price of  
234 room rentals and, in addition thereto, shall collect, insofar as  
235 practicable, the amount of the tax due from the person receiving  
236 the services at the time of payment therefor.

237 (5) Such tax shall be collected by and paid to the  
238 Department of Revenue on a form prescribed by the Department of  
239 Revenue, in the same manner that state sales taxes are computed,  
240 collected and paid; and the full enforcement provisions and all  
241 other provisions of Chapter 65, Title 27, Mississippi Code of



242 1972, shall apply as necessary to the implementation and  
243 administration of this act.

244 (6) The proceeds of such tax, less three percent (3%) to be  
245 retained by the Department of Revenue to defray the costs of  
246 collection, shall be paid to the governing authority of the City  
247 of Grenada, Mississippi, on or before the fifteenth day of the  
248 month following the month in which collected.

249 (7) (a) The proceeds of the tax levied under subsections  
250 (1) (a) and (2) (a) shall not be considered by the city as general  
251 fund revenues but shall be dedicated to and used by the commission  
252 solely for the purpose of carrying out programs and activities  
253 designed to attract tourists to the city and surrounding area.  
254 Fifty percent (50%) of the tax or revenue shall be placed in an  
255 interest-bearing tourism escrow fund for the construction,  
256 financing and operation of a convention center or any other use  
257 that may promote tourism as determined by the City of Grenada.  
258 The convention center shall be carefully planned and constructed  
259 with the cooperation of the governing authorities and the  
260 commission.

261 (b) The proceeds of the tax levied under subsections  
262 (1) (b) and (2) (b) of this section shall not be considered by the  
263 city as general fund revenues but shall be dedicated to and used  
264 by the city solely for the purpose of constructing, financing and  
265 operating a sports park.



266 (8) Before the expenditure of funds herein prescribed, a  
267 budget reflecting the anticipated receipts and expenditures shall  
268 be approved by the governing authorities. The first budget of  
269 receipts and expenditures shall cover the period beginning with  
270 the effective date of the taxes and ending with the end of the  
271 city's fiscal year, and, thereafter, the budget shall be on the  
272 same fiscal basis as the budget of the city.

273 Section 4. The books of the commission shall be audited  
274 annually by an independent certified public accountant, and the  
275 accountant shall make a written report of his audit to the  
276 commission who shall thereupon submit a copy of such report to the  
277 governing authorities. Such audit shall be made and completed as  
278 soon as practicable after the close of the fiscal year, and copies  
279 of the report of such audit shall be filed with the city clerk  
280 within fifteen (15) days after receipt thereof by the commission.

281 Section 5. Sections 1 through 4 of this act shall stand  
282 repealed on September 30, \* \* \* 2026.

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

