

By: Senator(s) Chassaniol

To: Local and Private

SENATE BILL NO. 3181
(As Sent to Governor)

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 FROM SEPTEMBER 30, 2022, TO SEPTEMBER
4 30, 2023, ON THE PROVISIONS OF LAW THAT ESTABLISHES THE GRENADA
5 TOURISM COMMISSION AND AUTHORIZES THE IMPOSITION OF A TOURIST AND
6 CONVENTION TAX, TOGETHER WITH AN ADDITIONAL TAX ON HOTELS, MOTELS
7 AND RESTAURANTS FOR THE PURPOSE OF PROVIDING FUNDS TO CONSTRUCT,
8 FINANCE AND OPERATE A SPORTS 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, * * * 2023.

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

