

By: Representatives Horan, Reynolds

To: Local and Private
Legislation

HOUSE BILL NO. 1509

1 AN ACT TO AMEND CHAPTER 879, LOCAL AND PRIVATE LAWS OF 1992,
2 AS LAST AMENDED BY CHAPTER 927, LOCAL AND PRIVATE LAWS OF 2022, TO
3 EXTEND THE DATE OF REPEAL FROM SEPTEMBER 30, 2023, TO SEPTEMBER
4 30, 2027, 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, as amended by Chapter 927, Local and Private
18 Laws of 2022, is amended as follows:

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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



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

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

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



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

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

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



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

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



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



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

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

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



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

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

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



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

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

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

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



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

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

282 Section 5. Sections 1 through 4 of this act shall stand
283 repealed on September 30, * * * 2027.

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

