

By: Representative Weathersby

To: Local and Private
Legislation

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1667

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 FLORENCE, MISSISSIPPI, TO LEVY A TAX THAT SHALL NOT EXCEED THREE
3 PERCENT UPON THE GROSS SALES OF HOTELS AND MOTELS DERIVED FROM
4 ROOM RENTALS AND TO LEVY A TAX THAT SHALL NOT EXCEED TWO PERCENT
5 UPON THE GROSS PROCEEDS OF SALES OF RESTAURANTS FOR THE PURPOSE OF
6 FUNDING THE CITY'S PARKS AND RECREATION DEPARTMENT; TO REQUIRE AN
7 ELECTION BE HELD ON THE QUESTION OF WHETHER SUCH TAX MAY BE
8 LEVIED; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** As used in this act:

11 (a) "City" means the City of Florence, Mississippi.

12 (b) "Governing authorities" means the Mayor and Board
13 of Aldermen of the City of Florence, Mississippi.

14 (c) "Hotel" or "motel" means any establishment engaged
15 in the business of furnishing or providing rooms intended or
16 designed for dwelling, lodging or sleeping purposes to transient
17 guests, where the establishment consists of six (6) or more guest
18 rooms. The term "hotel" or "motel" does not include any hospital,
19 convalescent or nursing home or sanitarium, or any hotel-like
20 facility operated by or in connection with a hospital or medical



21 clinic providing rooms exclusively for patients and their
22 families.

23 (d) "Restaurant" means all places, including
24 restaurants, cafes, food trucks, delicatessens and similar
25 eateries where prepared food and beverages are sold for
26 consumption, whether such food is sold for consumption on the
27 premises or not. The term "restaurant" does not include any
28 school, hospital, convalescent or nursing home, or any
29 restaurant-like facility operated by or in connection with a
30 school, hospital, medical clinic, convalescent or nursing home
31 providing food for students, patients, visitors or their families.

32 **SECTION 2.** (1) For the purpose of providing funding for the
33 city's parks and recreation department, the governing authorities
34 are authorized, in their discretion, to levy and collect from the
35 following persons a tax, which shall be in addition to all of the
36 taxes and assessments imposed. The tax shall be imposed on the
37 following persons:

38 (a) A tax upon every person, firm or corporation
39 operating a motel or hotel in the city, at a rate not to exceed
40 three percent (3%) of the gross proceeds of room rentals for each
41 such hotel or motel.

42 (b) A tax upon every person, firm or corporation
43 operating a restaurant in the city, at a rate not to exceed two
44 percent (2%) of the gross proceeds of the sales of the restaurant.



45 (2) Persons, firms or corporations liable for the levy
46 imposed under subsection (1) of this section shall add the amount
47 of the levy to the sales price of the rooms and products set out
48 in subsection (1) of this section and shall collect, insofar as is
49 practicable, the amount of the tax due by them from the person
50 receiving the services or product at the time of payment therefor.

51 (3) The tax shall be collected by and paid to the Department
52 of Revenue on a form prescribed by the Department of Revenue in
53 the manner that state sales taxes are computed, collected and
54 paid; and full enforcement provisions and all other provisions of
55 Chapter 65, Title 27, Mississippi Code of 1972, shall apply as
56 necessary to the implementation and administration of this act.

57 (4) The proceeds of the tax, less three percent (3%) thereof
58 which shall be retained by the Department of Revenue to defray the
59 cost of collection, shall be paid to the governing authorities on
60 or before the fifteenth day of the month following the month in
61 which collected.

62 (5) The proceeds of the tax shall not be considered by the
63 city as general fund revenues but shall be dedicated to and
64 expended solely for the purposes specified in this section.

65 **SECTION 3.** Before any tax authorized under this act may be
66 imposed, the governing authorities shall adopt a resolution
67 declaring their intention to levy the tax, setting forth the
68 amount of the tax to be imposed, the date upon which the tax shall
69 become effective and calling for an election to be held on the



70 question. Notice of such intention and the election shall be
71 published once each week for at least three (3) consecutive weeks
72 in a newspaper published or having a general circulation in the
73 city, with the first publication of the notice to be made not less
74 than twenty-one (21) days before the date fixed in the resolution
75 for the election and the last publication to be made not more than
76 seven (7) days before the election. At the election, all
77 qualified electors of the city may vote, and the ballots used in
78 the election shall have printed thereon a brief statement of the
79 amount and purposes of the proposed tax levy and the words "FOR
80 THE TAX" and on a separate line, "AGAINST THE TAX" and the voters
81 shall vote by placing a cross (X) or check (✓) opposite their
82 choice on the proposition. When the results of the election shall
83 have been canvassed and certified, the city may levy the tax if
84 sixty percent (60%) of the qualified electors who vote in the
85 election vote in favor of the tax. At least thirty (30) days
86 before the effective date of the tax provided in this section, the
87 governing authorities shall furnish to the Department of Revenue a
88 certified copy of the resolution evidencing the tax.

89 **SECTION 4.** Accounting for receipts and expenditures of the
90 funds herein described shall be made separately from the
91 accounting of receipts and expenditures of the general fund and
92 any other funds of the city. The records reflecting the receipts
93 and expenditures of the funds prescribed in this act shall be
94 audited annually by an independent certified public accountant,



95 and the accountant shall make a written report of his audit to the
96 governing authorities. The audit shall be made and completed as
97 soon as practicable after the close of the fiscal year, and
98 expenses of the audit shall be paid from the funds derived in
99 accordance with this act.

100 **SECTION 5.** In addition to other requirements provided under
101 this act, the tax authorized in Section 2(1)(b) of this act shall
102 not take effect until the tax imposed under Chapter 939, Local and
103 Private Laws of 1998, as amended by Chapter 1046, Local and
104 Private Laws of 1999, as amended by Chapter 921, Local and Private
105 Laws of 2012, as amended by Chapter 937, Local and Private Laws of
106 2016, as amended by Chapter 901, Local and Private Laws of 2020,
107 is repealed.

108 **SECTION 6.** This act shall be repealed from and after July 1,
109 2027.

110 **SECTION 7.** This act shall take effect and be in force from
111 and after its passage.

