

By: Representatives Morgan, Pigott

To: Local and Private
Legislation

HOUSE BILL NO. 1788

1 AN ACT TO AMEND CHAPTER 924, LOCAL AND PRIVATE LAWS OF 2019,
2 TO EXTEND THE DATE OF REPEAL FROM JULY 1, 2023, TO JULY 1, 2028,
3 ON THE ACT AUTHORIZING THE GOVERNING AUTHORITIES OF THE CITY OF
4 COLUMBIA, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS SALES OF
5 HOTELS AND MOTELS DERIVED FROM ROOM RENTALS AND UPON THE GROSS
6 PROCEEDS OF SALES OF RESTAURANTS FOR THE PURPOSE OF PROVIDING
7 FUNDS FOR THE PROMOTION OF TOURISM AND PARKS AND RECREATION; AND
8 FOR RELATED PURPOSES.

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

10 **SECTION 1.** Chapter 924, Local and Private Laws of 2019, is
11 amended as follows:

12 Section 1. As used in this act:

13 (a) "Governing authorities" means the Mayor and Board
14 of Aldermen of the City of Columbia, Mississippi.

15 (b) "City" means the City of Columbia, Mississippi.

16 (c) "Prepared food" means food prepared on the premises
17 of a restaurant.

18 (d) "Restaurant" means any place where prepared food
19 and beverages are sold for consumption, whether such food is sold
20 for consumption on the premises or not. The term "restaurant"
21 does not include any school, hospital, or convalescent or nursing



22 home, or restaurant-like facilities operated by or in connection
23 with a school, hospital, medical clinic, or convalescent or
24 nursing home providing food for students, patients, visitors or
25 their families.

26 (e) "Hotel" or "motel" means any establishment engaged
27 in the business of furnishing or providing rooms intended or
28 designed for dwelling, lodging or sleeping purposes to transient
29 guests. The term "hotel" or "motel" does not include any
30 hospital, convalescent or nursing home or sanitarium, or any
31 hotel-like facility operated by or in connection with a hospital
32 or medical clinic providing rooms exclusively for patients and
33 their families.

34 Section 2. (1) For the purpose of providing funds to
35 promote tourism and parks and recreation, the governing
36 authorities are authorized, in their discretion, to levy and
37 collect from the following persons a tax, which shall be in
38 addition to all of the taxes and assessments imposed. The tax
39 shall be imposed on the following persons:

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

44 (b) A tax upon every person, firm or corporation
45 operating a restaurant in the city, at a rate not to exceed three
46 percent (3%) of the gross proceeds of the sales of the restaurant.



47 (2) Persons, firms, corporations or other entities liable
48 for the tax imposed under subsection (1) of this section shall add
49 the amount of the tax to the sales price of the food and beverages
50 and shall collect, insofar as practicable, the amount of the tax
51 due from the person purchasing the food or beverages at the time
52 of payment therefor.

53 Section 3. Before any tax authorized under this act may be
54 imposed, the governing authorities shall adopt a resolution
55 declaring their intention to levy the tax, setting forth the
56 amount of the tax to be imposed, the date upon which the tax shall
57 become effective and calling for an election to be held on the
58 question. The date of the election shall be fixed in the
59 resolution. Notice of the intention and the election shall be
60 published once each week for at least three (3) consecutive weeks
61 in a newspaper published or having a general circulation in the
62 city, with the first publication of the notice to be made not less
63 than twenty-one (21) days before the date fixed in the resolution
64 for the election and the last publication to be made not more than
65 seven (7) days before the election. At the election, all
66 qualified electors of the city may vote, and the ballots used in
67 the election shall have printed thereon a brief statement of the
68 amount and purposes of the proposed tax levy and the words "FOR
69 THE TAX" and, on a separate line, "AGAINST THE TAX" and the voters
70 shall vote by placing a cross (X) or check (✓) opposite their
71 choice on the proposition. When the results of the election shall



72 have been canvassed and certified, the city may levy the tax if
73 sixty percent (60%) of the qualified electors who vote in the
74 election vote in favor of the tax. At least thirty (30) days
75 before the effective date of the tax, the governing authorities
76 shall furnish to the Department of Revenue a certified copy of the
77 resolution evidencing the tax.

78 Section 4. (1) On or before the fifteenth day of the month
79 preceding the date on which the city will begin to levy the tax
80 authorized under Section 2 of this act, the governing authorities
81 shall give written notification to the Commissioner of Revenue of
82 the date on which the tax will become effective.

83 (2) The tax must be collected by and paid to the Department
84 of Revenue in the same manner that state sales taxes are computed,
85 collected and paid, and the full enforcement provisions and all
86 other provisions of Chapter 65, Title 27, Mississippi Code of
87 1972, will apply as necessary for the implementation of this act.

88 (3) Except for any amount retained by the Department of
89 Revenue under Section 27-3-58, Mississippi Code of 1972, the
90 revenue from the special tax collected under this act must be paid
91 to the city on or before the fifteenth day of the month following
92 the month in which collected.

93 (4) Accounting for receipts and expenditures of the revenue
94 from the tax shall be made separately from the accounting of
95 receipts and expenditures of the general fund and any other funds
96 of the city. The records reflecting the receipts and expenditures



97 of the revenue from the tax shall be audited annually by an
98 independent certified public accountant, and the accountant shall
99 make a written report of his audit to the board of supervisors.
100 The audit shall be made and completed as soon as practicable after
101 the close of the fiscal year, and expenses of the audit shall be
102 paid from the funds derived pursuant to this act.

103 (5) The proceeds of the tax may not be considered by the
104 city as general fund revenues but must be placed into a special
105 fund apart from the city general fund and any other funds and
106 expended by the city strictly for the purposes prescribed under
107 Section 2 of this act.

108 Section 5. This act shall be repealed from and after July
109 1, * * * 2028.

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

