

By: Representative Reynolds

To: Local and Private  
Legislation

HOUSE BILL NO. 1794

1 AN ACT TO AMEND CHAPTER 903, LOCAL AND PRIVATE LAWS OF 2019,  
2 TO EXTEND THE DATE OF REPEAL FROM JULY 1, 2023, TO JULY 1, 2027,  
3 ON THE PROVISION OF LAW THAT AUTHORIZES THE GOVERNING AUTHORITIES  
4 OF THE CITY OF CHARLESTON, MISSISSIPPI, TO LEVY A TAX UPON THE  
5 GROSS PROCEEDS OF SALES OF RESTAURANTS FOR THE PURPOSE OF  
6 PROVIDING FUNDS FOR THE PROMOTION OF TOURISM AND PARKS AND  
7 RECREATION; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Chapter 903, Local and Private Laws of 2019, is  
10 amended as follows:

11 Section 1. As used in this act, the following terms have the  
12 meanings ascribed to them in this section unless the context  
13 clearly indicates otherwise:

14 (a) "Governing authorities" means the Mayor and Board  
15 of Commissioners of the City of Charleston, Mississippi.

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

18 (c) "Restaurant" means all places within the city where  
19 prepared food and beverages are sold for consumption, whether such  
20 food is consumed on the premises or not. The term "restaurant"



21 does not include any school, hospital, 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 (d) "City" means the City of Charleston, Mississippi.

27 Section 2. (1) For the purpose of providing funds to  
28 promote tourism and parks and recreation, the governing  
29 authorities, in their discretion, may levy, assess and collect a  
30 tax from persons, firms or corporations specified in this  
31 subsection, which shall be in addition to all other taxes or  
32 assessments imposed. The tax shall be imposed upon every person,  
33 firm or corporation operating a restaurant in the city where  
34 prepared food and drink is sold to the public, at a rate not to  
35 exceed two percent (2%) of the gross proceeds of the sales of such  
36 restaurant or business.

37 (2) Persons, firms, corporations or other entities liable  
38 for the tax imposed under subsection (1) of this section shall add  
39 the amount of the tax to the sales price of the food and beverages  
40 and shall collect, insofar as practicable, the amount of the tax  
41 due from the person purchasing the food or beverages at the time  
42 of payment therefor.

43 Section 3. Before any tax authorized under this act may be  
44 imposed, the governing authorities shall adopt a resolution  
45 declaring their intention to levy the tax, setting forth the



46 amount of the tax to be imposed, the date upon which the tax shall  
47 become effective and calling for an election to be held on the  
48 question. The date of the election shall be fixed in the  
49 resolution. Notice of the intention and the election shall be  
50 published once each week for at least three (3) consecutive weeks  
51 in a newspaper published or having a general circulation in the  
52 city, with the first publication of the notice to be made not less  
53 than twenty-one (21) days before the date fixed in the resolution  
54 for the election and the last publication to be made not more than  
55 seven (7) days before the election. At the election, all  
56 qualified electors of the city may vote, and the ballots used in  
57 the election shall have printed thereon a brief statement of the  
58 amount and purposes of the proposed tax levy and the words "FOR  
59 THE TAX" and, on a separate line, "AGAINST THE TAX" and the voters  
60 shall vote by placing a cross (X) or check (✓) opposite their  
61 choice on the proposition. When the results of the election shall  
62 have been canvassed and certified, the city may levy the tax if  
63 sixty percent (60%) of the qualified electors who vote in the  
64 election vote in favor of the tax. At least thirty (30) days  
65 before the effective date of the tax, the governing authorities  
66 shall furnish to the Department of Revenue a certified copy of the  
67 resolution evidencing the tax.

68 Section 4. (1) On or before the fifteenth day of the month  
69 preceding the date on which the city will begin to levy the tax  
70 authorized under Section 2 of this act, the governing authorities



71 shall give written notification to the Commissioner of Revenue of  
72 the date on which the tax will become effective.

73 (2) The tax must be collected by and paid to the Department  
74 of Revenue in the same manner that state sales taxes are computed,  
75 collected and paid, and the full enforcement provisions and all  
76 other provisions of Chapter 65, Title 27, Mississippi Code of  
77 1972, will apply as necessary for the implementation of this act.

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

83 (4) Accounting for receipts and expenditures of the revenue  
84 from the tax shall be made separately from the accounting of  
85 receipts and expenditures of the general fund and any other funds  
86 of the city. The records reflecting the receipts and expenditures  
87 of the revenue from the tax shall be audited annually by an  
88 independent certified public accountant, and the accountant shall  
89 make a written report of his audit to the board of supervisors.  
90 The audit shall be made and completed as soon as practicable after  
91 the close of the fiscal year, and expenses of the audit shall be  
92 paid from the funds derived pursuant to this act.

93 (5) The proceeds of the tax may not be considered by the  
94 city as general fund revenues but must be placed into a special  
95 fund apart from the city general fund and any other funds and



96 expended by the city strictly for the purposes prescribed under  
97 Section 2 of this act.

98 Section 5. This act shall be repealed from and after July 1,  
99 \* \* \* 2027.

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

