

By: Representatives Barton, McLeod

To: Local and Private  
Legislation

HOUSE BILL NO. 1802

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF  
 2 LUCEDALE, 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 AS WELL AS TO LEVY A TAX THAT SHALL NOT EXCEED ONE  
 5 PERCENT UPON THE GROSS PROCEEDS OF SALES OF RESTAURANTS; TO  
 6 PROVIDE THAT SUCH TAX SHALL BE USED FOR THE PURPOSE OF GENERATING  
 7 REVENUE FOR PARKS AND RECREATIONAL CAPITAL IMPROVEMENT PROJECTS;  
 8 TO REQUIRE AN ELECTION BE HELD ON THE QUESTION OF WHETHER SUCH TAX  
 9 MAY BE LEVIED; AND FOR RELATED PURPOSES.

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

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

12 (a) "City" means the City of Lucedale, Mississippi.

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

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



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

24 (d) "Restaurant" means all places within the corporate  
25 limits of the city where prepared food and beverages are sold for  
26 consumption, whether such food is consumed on the premises or not.  
27 This includes food trucks, lunch stands, cafes, cafeterias,  
28 delicatessens, drive-in restaurants, carry out restaurants,  
29 caterers, concession stands, hotel and motel dining rooms,  
30 convenience stores, grocery stores, restaurants and other similar  
31 businesses. The term "restaurant" does not include any school,  
32 hospital, medical clinic, convalescent or nursing home providing  
33 food for students, patients, visitors or their families or any  
34 restaurant having annual gross sales of less than Twenty-five  
35 Thousand Dollars (\$25,000.00).

36 (e) "Prepared food" means food or beverages prepared by  
37 a restaurant within the corporate limits of the city that is (i)  
38 ready to consume without any further food preparation, alteration  
39 or repackaging on site; (ii) prepared, provided, sold or served by  
40 a restaurant using any cooking, packaging or food preparation  
41 technique. Prepared food may be eaten either on or off a  
42 restaurant's premises.

43 **SECTION 2.** (1) For the purpose of providing funds for parks  
44 and recreational capital improvements projects, the governing  
45 authorities are authorized, in their discretion, to levy and  
46 collect from the following persons a tax, which shall be in



47 addition to all of the taxes and assessments imposed. The tax  
48 shall be imposed on the following persons:

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

53 (b) A tax upon every person, firm or corporation  
54 operating a restaurant in the city, at a rate not to exceed one  
55 percent (1%) of the gross proceeds of the sales of the restaurant.

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

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

68 (4) The proceeds of the tax, less three percent (3%) thereof  
69 which shall be retained by the Department of Revenue to defray the  
70 cost of collection, shall be paid to the city on or before the  
71 fifteenth day of the month following the month in which collected.



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

75 **SECTION 3.** Before any tax authorized under this act may be  
76 imposed, the governing authorities shall adopt a resolution  
77 declaring their intention to levy the tax, setting forth the  
78 amount of the tax to be imposed, the date upon which the tax shall  
79 become effective and calling for an election to be held on the  
80 question. Notice of such intention and the election shall be  
81 published once each week for at least three (3) consecutive weeks  
82 in a newspaper published or having a general circulation in the  
83 city, with the first publication of the notice to be made not less  
84 than twenty-one (21) days before the date fixed in the resolution  
85 for the election and the last publication to be made not more than  
86 seven (7) days before the election. At the election, all  
87 qualified electors of the city may vote, and the ballots used in  
88 the election shall have printed thereon a brief statement of the  
89 amount and purposes of the proposed tax levy and the words "FOR  
90 THE TAX" and on a separate line, "AGAINST THE TAX" and the voters  
91 shall vote by placing a cross (X) or check (✓) opposite their  
92 choice on the proposition. When the results of the election shall  
93 have been canvassed and certified, the city may levy the tax if  
94 sixty percent (60%) of the qualified electors who vote in the  
95 election vote in favor of the tax. At least thirty (30) days  
96 before the effective date of the tax provided in this section, the



97 governing authorities shall furnish to the Department of Revenue a  
98 certified copy of the resolution evidencing the tax.

99         **SECTION 4.** Accounting for receipts and expenditures of the  
100 funds herein described shall be made separately from the  
101 accounting of receipts and expenditures of the general fund and  
102 any other funds of the city. The records reflecting the receipts  
103 and expenditures of the funds prescribed in this act shall be  
104 audited annually by an independent certified public accountant,  
105 and the accountant shall make a written report of his audit to the  
106 governing authorities. The audit shall be made and completed as  
107 soon as practicable after the close of the fiscal year, and  
108 expenses of the audit shall be paid from the funds derived in  
109 accordance with this act.

110         **SECTION 5.** This act shall be repealed from and after July 1,  
111 2027.

112         **SECTION 6.** This act shall take effect and be in force from  
113 and after its passage.

