

By: Senator(s) Barrett

To: Local and Private;
Finance

SENATE BILL NO. 2519

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE TOWN OF
2 MONTICELLO, MISSISSIPPI; TO LEVY A TAX UPON THE GROSS PROCEEDS OF
3 HOTELS AND MOTELS DERIVED FROM ROOM RENTALS AND UPON THE GROSS
4 PROCEEDS OF SALES OF FOOD AND BEVERAGES AT RESTAURANTS WITHIN THE
5 TOWN; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** As used in this act, the following terms shall
8 have the following meanings unless a different meaning is clearly
9 indicated by the context in which they are used:

10 (a) "Governing authorities" means the governing
11 authorities of the Town of Monticello, Mississippi.

12 (b) "Hotel" or "motel" means any establishment engaged
13 in the business of furnishing or providing rooms intended or
14 designed for dwelling, lodging or sleeping purposes to transient
15 guests. The term "hotel" or "motel" does not include any
16 hospital, convalescent or nursing home or sanitarium, or any
17 hotel-like facility operated by or in connection with a hospital
18 or medical clinic providing rooms exclusively for patients and
19 their families.



20 (c) "Restaurant" means all places where prepared food
21 and beverages are sold for consumption, regardless of whether such
22 food is consumed on the premises or not, and businesses that cater
23 foods. The term "restaurant" does not include any school,
24 hospital, convalescent or nursing home, or any restaurant-like
25 facility operated by or in connection with a school, hospital,
26 medical clinic, convalescent or nursing home providing food for
27 students, patients, visitors or their families.

28 **SECTION 2.** (1) For the purpose of providing funds to
29 promote tourism and parks and recreation in the Town of Monticello
30 and the immediate surrounding area, the governing authorities are
31 authorized, in their discretion, to levy and collect from the
32 following persons a tax, which shall be in addition to all taxes
33 and assessments already imposed. The tax shall be imposed on the
34 following persons:

35 (a) A tax upon every person, firm or corporation
36 operating a hotel or motel in the Town of Monticello, at a rate
37 not to exceed two percent (2%) of the gross proceeds of room
38 rentals for each such hotel or motel; and

39 (b) A tax upon every person, firm or corporation
40 operating a restaurant in the Town of Monticello, at a rate not to
41 exceed two percent (2%) of the gross proceeds from the sale of
42 food and beverages in restaurants.

43 (2) Persons, firms or corporations liable for the levy
44 imposed under subsection (1) of this section shall add the amount



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

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

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

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

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



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



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

100 **SECTION 5.** The provisions of this act shall be repealed from
101 and after July 1, 2027.

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

