

By: Senator(s) DeBar

To: Local and Private;
Finance

SENATE BILL NO. 3143

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 LUCEDALE, MISSISSIPPI, TO IMPOSE A TAX OF UP TO 1% TO BE LEVIED ON
3 THE GROSS PROCEEDS DERIVED FROM THE SALES OF PREPARED FOOD AND
4 DRINK AT RESTAURANTS FOR THE PURPOSE OF PROVIDING FUNDS FOR PARKS
5 AND RECREATION CAPITAL IMPROVEMENTS; TO PROVIDE FOR A REFERENDUM
6 ON WHETHER SUCH TAX SHALL BE LEVIED; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** As used in this act, the following words shall
9 have the meanings ascribed to them in this section unless
10 otherwise clearly indicated by the context in which they are used:

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

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

14 (c) "Restaurant" means all places where prepared food
15 and beverages, including beer and alcoholic beverages, are sold
16 for consumption, whether such food is consumed on the premises or
17 not, including food trucks, lunch stands, cafes, cafeterias,
18 delicatessens, drive-in restaurants, carry-out restaurants,
19 caterers, concession stands, convenience stores, grocery stores,
20 dine-in restaurants and other similar businesses. However, the



21 term "restaurant" does not include any school, hospital, medical
22 clinic, convalescent or nursing home providing for students,
23 patients, visitors and their families, nor does it include any
24 restaurant with an annual gross revenue of less than Twenty-five
25 Thousand Dollars (\$25,000.00).

26 (d) "Prepared Food" means food or beverages prepared by
27 a restaurant in the city that is:

28 (i) Ready to consume without any further food
29 preparation, alteration or repackaging on site; and

30 (ii) Prepared, provided, sold or served by a
31 restaurant using any cooking, packaging or food preparation
32 technique.

33 **SECTION 2.** (1) For the purpose of providing funds to
34 improve parks and recreation in the City of Lucedale, Mississippi,
35 the governing authorities of the City of Lucedale are authorized,
36 in their discretion, to levy and collect a tax from every person,
37 firm or corporation operating a restaurant in the City of
38 Lucedale, at a rate not to exceed one percent (1%) of the gross
39 proceeds of the sales of all prepared food and beverages,
40 including beer and alcoholic beverages, of such restaurant, which
41 shall be in addition to all of the taxes and assessments imposed.

42 (2) Such tax shall be collected by and paid to the
43 Department of Revenue on a form prescribed by the Department of
44 Revenue in the manner that state sales taxes are computed,
45 collected and paid; and full enforcement provisions and all other



46 provisions of Title 27, Chapter 65, Mississippi Code of 1972,
47 shall apply as necessary to the implementation and administration
48 of this act.

49 (3) The proceeds of such tax, less three percent (3%)
50 thereof which shall be retained by the Department of Revenue to
51 defray the cost of collection, shall be paid to the governing
52 authorities of the City of Lucedale, on or before the fifteenth
53 day of the month in which collected.

54 (4) The proceeds of such tax shall not be considered by the
55 City of Lucedale as general fund revenues but shall be dedicated
56 to and expended solely for the purposes specified in this section.

57 **SECTION 3.** Before any tax authorized under this act may be
58 imposed, the governing authorities shall adopt a resolution
59 declaring its intention to levy the tax, setting forth the amount
60 of such tax to be imposed, the date upon which such tax shall
61 become effective and calling for a referendum to be held on the
62 question. Notice of such intention shall be published once each
63 week for at least three (3) consecutive weeks in a newspaper
64 published or having a general circulation in the city, with the
65 first publication of such notice to be made not less than
66 twenty-one (21) days before the date fixed in the resolution for
67 the election and the last publication to be made not more than
68 seven (7) days before the referendum. At the referendum, all
69 qualified electors of the City of Lucedale may vote, and the
70 ballots used in such election shall have printed thereon a brief



71 statement of the amount and purposes of the proposed tax levy and
72 the words "FOR THE TAX" and, on a separate line, "AGAINST THE
73 TAX," and the voters shall vote by placing a cross (X) or check
74 (✓) opposite their choice on the proposition. When the results
75 of any such referendum shall have been canvassed by the city
76 election commission and certified, the city may levy the tax
77 beginning on the first day of the second month following the
78 referendum, only if at least sixty percent (60%) of the qualified
79 electors who vote in the election vote in favor of the tax. No
80 public funds shall be used for the purpose of promoting the
81 adoption of the referendum and no city employee may promote the
82 referendum during business hours.

83 **SECTION 4.** Persons, firms or corporations liable for the tax
84 imposed under this act shall add the amount of the tax to the
85 sales price and shall collect, insofar as practicable, the amount
86 of tax due from the person receiving the services or products at
87 the time of the payment therefor.

88 **SECTION 5.** Accounting for receipts and expenditures of the
89 funds described in this act must be made separately from the
90 accounting of receipts and expenditures of the general fund and
91 any other funds of the City of Lucedale. The records reflecting
92 the receipts and expenditures of the funds prescribed in this act
93 shall be audited annually by an independent certified public
94 accountant, and the accountant shall make a written report of his
95 audit to the governing authorities. The audit shall be made and



96 completed as soon as practicable after the close of the fiscal
97 year, and expenses of such audit shall be paid from the funds
98 derived pursuant to this act.

99 **SECTION 6.** This act shall be repealed from and after July 1,
100 2027.

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

