

By: Senator(s) Chassaniol

To: Local and Private;
Finance

SENATE BILL NO. 3150

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
 2 KOSCIUSKO, MISSISSIPPI, TO LEVY AN ADDITIONAL SALES TAX OF NOT
 3 MORE THAN 1% UPON THE GROSS PROCEEDS OF THE SALES OF RESTAURANTS
 4 FOR THE PURPOSE OF PROVIDING FUNDS TO PROMOTE TOURISM AND PARKS
 5 AND RECREATION WITHIN THE CITY, INCLUDING THE REFURBISHMENT OF THE
 6 JUNIOR HIGH SCHOOL AUDITORIUM TO INCLUDE A PERFORMING ARTS CENTER
 7 AND A MUSEUM COMPONENT; TO PROVIDE THAT AN ELECTION BE HELD ON THE
 8 FIRST TUESDAY AFTER THE FIRST MONDAY IN NOVEMBER 2023 ON THE
 9 QUESTION OF THE LEVYING OF SUCH TAX; TO PROVIDE THAT THE TAX SHALL
 10 BE SUBJECT TO REAUTHORIZATION BY THE VOTERS AT EACH MUNICIPAL
 11 GENERAL ELECTION; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** As used in this act, the following terms have the
 14 meanings ascribed to them in this section unless the context
 15 clearly indicates otherwise:

16 (a) "City" means the City of Kosciusko, Mississippi.

17 (b) "Governing authorities" means the governing
 18 authorities of the city.

19 (c) "Prepared food" means food prepared or beverages
 20 prepared by a restaurant in the city that is (i) ready to be
 21 consumed without any further food preparation, alteration or
 22 repackaging on site; and (ii) prepared, provided, sold or served



23 by a restaurant using any cooking, packaging or food preparation
24 technique. Prepared food may be eaten either on or off a
25 restaurant's premises.

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

36 **SECTION 2.** (1) For the purpose of providing funds to
37 promote tourism and parks and recreation within the city,
38 including the refurbishment of the junior high school auditorium
39 to include a performing arts center and a museum component the
40 governing authorities, in their discretion, may levy, assess and
41 collect a tax from persons, firms or corporations specified in
42 this subsection, which shall be in addition to all other taxes or
43 assessments imposed. The tax shall be imposed upon every person,
44 firm or corporation operating a restaurant in the city where
45 prepared food and drink are sold to the public, at a rate not to
46 exceed one percent (1%) of the gross proceeds of the sales of such
47 restaurant or business.



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

54 **SECTION 3.** (1) Before any tax authorized under this act may
55 be imposed, the governing authorities shall adopt a resolution
56 declaring their intention to levy the tax, setting forth the
57 amount of the tax to be imposed, the date upon which the tax shall
58 become effective and calling for an election to be held on the
59 question. The date of the election shall be the first Tuesday
60 after the first Monday in November 2023. Notice of the intention
61 and the election shall be published once each week for at least
62 three (3) consecutive weeks in a newspaper published or having a
63 general circulation in the city, with the first publication of the
64 notice to be made not less than twenty-one (21) days before the
65 date fixed in the resolution for the election and the last
66 publication to be made not more than seven (7) days before the
67 election. At the election, all qualified electors of the city may
68 vote, and the ballots used in the election shall have printed
69 thereon a brief statement of the amount and purposes of the
70 proposed tax levy and the words "FOR THE TAX" and, on a separate
71 line, "AGAINST THE TAX" and the voters shall vote by placing a
72 cross (X) or check (✓) opposite their choice on the proposition.



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

80 (2) After the initial levy of the tax authorized under this
81 act, the authority for the tax shall expire at the end of the
82 month in which the next municipal general election is held, unless
83 the tax is reauthorized by at least sixty percent (60%) of the
84 qualified electors who vote in that municipal general election.
85 The tax shall be subject to the same reapproval by the electors at
86 each subsequent municipal general election. Before each municipal
87 general election, the governing authorities shall adopt a
88 resolution declaring their intention to continue the levy of the
89 tax authorized under this act and previously approved by the
90 electors, and calling for an election to be held on the question
91 of the continuation of the tax. No later than the end of the
92 month in which the electors reauthorize the tax, the governing
93 authorities shall furnish to the Department of Revenue a certified
94 copy of the resolution evidencing the continuation of the tax.
95 Except as otherwise provided in this subsection (2), the
96 provisions of subsection (1) of this section shall apply to each
97 municipal general election and notice therefor.



98 **SECTION 4.** (1) On or before the fifteenth day of the month
99 preceding the date on which the city will begin to levy the tax
100 authorized under Section 2 of this act, the governing authorities
101 shall give written notification to the Commissioner of Revenue of
102 the date on which the tax will become effective.

103 (2) The tax must be collected by and paid to the Department
104 of Revenue in the same manner that state sales taxes are computed,
105 collected and paid, and the full enforcement provisions and all
106 other provisions of Title 27, Chapter 65, Mississippi Code of
107 1972, will apply as necessary for the implementation of this act.

108 (3) The proceeds of the tax, less three percent (3%) thereof
109 which shall be retained by the Department of Revenue to defray the
110 cost of collection, shall be paid to the governing authorities on
111 or before the fifteenth day of the month following the month in
112 which collected.

113 (4) Accounting for receipts and expenditures of the revenue
114 from the tax shall be made separately from the accounting of
115 receipts and expenditures of the general fund and any other funds
116 of the city. The records reflecting the receipts and expenditures
117 of the revenue from the tax shall be audited annually by an
118 independent certified public accountant, and the accountant shall
119 make a written report of his audit to the governing authorities.
120 The audit shall be made and completed as soon as practicable after
121 the close of the fiscal year, and expenses of the audit shall be
122 paid from the funds derived pursuant to this act.



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

128 **SECTION 5.** This act shall take effect and be in force from
129 and after its passage.

