

By: Representatives Waldo, Lancaster,  
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To: Local and Private  
Legislation

HOUSE BILL NO. 1720

1 AN ACT TO AMEND CHAPTER 1016, LOCAL AND PRIVATE LAWS OF 2004,  
2 AS LAST AMENDED BY CHAPTER 908, LOCAL AND PRIVATE LAWS OF 2020, TO  
3 EXTEND THE DATE OF REPEAL FROM JULY 1, 2024, TO JULY 1, 2028, ON  
4 THE PROVISION OF LAW THAT AUTHORIZES THE GOVERNING AUTHORITIES OF  
5 THE CITY OF PONTOTOC TO LEVY A TAX UPON THE GROSS SALES OF HOTELS,  
6 MOTELS AND RESTAURANTS 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 1016, Local and Private Laws of 2004, as  
10 amended by Chapter 962, Local and Private Laws of 2007, as amended  
11 by Chapter 955, Local and Private Laws of 2012, as amended by  
12 Chapter 940, Local and Private Laws of 2016, as amended by  
13 Chapter 908, Local and Private Laws of 2020, is amended as  
14 follows:

15 Section 1. As used in this act, the following terms shall  
16 have the following meanings unless a different meaning is clearly  
17 indicated by the context in which they are used:

18 (a) "Governing authorities" means the governing  
19 authorities of the City of Pontotoc, Mississippi.



20 (b) "Hotel" or "motel" means any establishment engaged  
21 in the business of furnishing or providing rooms intended or  
22 designed for dwelling, lodging or sleeping purposes to transient  
23 guests, where such establishment consists of six (6) or more guest  
24 rooms and does not encompass any hospital, convalescent or nursing  
25 home or sanitarium, or any hotel-like facility operated by or in  
26 connection with a hospital or medical clinic providing rooms  
27 exclusively for patients and their families.

28 (c) "Restaurant" means all places where prepared food  
29 and beverages are sold for consumption, whether such food is  
30 consumed on the premises or not. "Restaurant" as defined herein  
31 does not include any school, hospital, convalescent or nursing  
32 home, or any restaurant-like facility operated by or in connection  
33 with a school, hospital, medical clinic, convalescent or nursing  
34 home providing food for students, patients, visitors and their  
35 families.

36 Section 2. (1) For the purpose of providing funds to  
37 promote tourism and parks and recreation, the governing  
38 authorities of the City of Pontotoc, Mississippi, are authorized,  
39 in their discretion, to levy and collect from the persons  
40 hereinafter specified a tax, which shall be in addition to all of  
41 the taxes and assessments imposed. The tax shall be imposed on  
42 the following persons:

43 (a) A tax upon every person, firm or corporation  
44 operating a motel or hotel in the City of Pontotoc, Mississippi,



45 at a rate not to exceed two percent (2%) of the gross proceeds of  
46 room rentals for each such hotel or motel.

47 (b) A tax upon every person, firm or corporation  
48 operating a restaurant or such other business, where prepared food  
49 or drink is sold to the public in the City of Pontotoc,  
50 Mississippi, at a rate not to exceed two percent (2%) of the gross  
51 proceeds of the sales of such restaurant or business.

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

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

65 (4) The proceeds of such tax, less three percent (3%)  
66 thereof which shall be retained by the Department of Revenue to  
67 defray the cost of collection, shall be paid to the governing  
68 authorities of the City of Pontotoc, Mississippi, on or before the  
69 fifteenth day of the month following the month in which collected.



70 (5) The proceeds of such tax shall not be considered by the  
71 City of Pontotoc as general fund revenues but shall be dedicated  
72 to and expended solely for the purposes specified in this section.

73 Section 3. (1) Before the tax authorized by this act may be  
74 imposed, the governing authorities shall adopt a resolution  
75 declaring their intention to levy the tax, setting forth the  
76 amount of such tax and establishing the date on which the tax  
77 initially shall be levied and collected. Notice of the proposed  
78 tax shall be published once each week for at least three (3)  
79 consecutive weeks in a newspaper having a general circulation in  
80 the City of Pontotoc. The first publication of the notice shall  
81 be made not less than twenty-one (21) days before the date fixed  
82 in the resolution on which the tax initially is to be levied and  
83 collected, and the last publication of the notice shall be made  
84 not more than seven (7) days before such date. If, within the  
85 time of giving notice, twenty percent (20%) or one thousand five  
86 hundred (1,500), whichever is less, of the qualified electors of  
87 the City of Pontotoc, file a written petition against the levy of  
88 such tax, then the tax shall not be levied unless authorized by a  
89 sixty percent (60%) majority of the qualified electors of the City  
90 of Pontotoc, voting at an election to be called and held for that  
91 purpose. At least thirty (30) days before the effective date of  
92 the tax, the governing authorities shall furnish to the Department  
93 of Revenue a certified copy of the resolution evidencing such tax.



94           (2) If the tax levied under this chapter was imposed without  
95 a vote of the electorate, the governing authorities shall, within  
96 sixty (60) days after the effective date of House Bill No. 1328,  
97 2012 Regular Session, by resolution spread upon its minutes,  
98 declare the intention of the governing authorities to continue  
99 imposing the tax and describe the tax levy including the tax rate,  
100 annual revenue collections and the purposes for which the proceeds  
101 are used. The resolution shall be published once a week for at  
102 least three (3) consecutive weeks in a newspaper published or  
103 having a general circulation in the municipality, with the first  
104 publication to be made within fourteen (14) days after the  
105 governing authorities adopt the resolution declaring their  
106 intention to continue the tax. If, on or before the date  
107 specified in the resolution for filing a written protest, which  
108 date shall be not less than forty-five (45) days and not more than  
109 sixty (60) days after the governing authorities adopt the  
110 resolution, twenty percent (20%) or one thousand five hundred  
111 (1,500), whichever is less, of the qualified electors of the  
112 municipality file a written protest against the imposition of the  
113 tax, then an election upon the levy and assessment of the tax  
114 shall be called and held as in the manner provided for in  
115 subsection (1) of this section, with the election to be conducted  
116 at the next special election day as such is defined by Section  
117 23-15-833, Mississippi Code of 1972, occurring more than sixty  
118 (60) days after the date specified in the resolution for filing a



119 written protest. If the requisite number of qualified electors  
120 vote against the imposition of the tax, the tax shall cease to be  
121 imposed on the first day of the month following certification of  
122 the election results by the election commissioners of the  
123 municipality to the governing authorities. The governing  
124 authorities shall notify the Department of Revenue of the date of  
125 the discontinuance of the tax and shall publish sufficient notice  
126 thereof in a newspaper published or having a general circulation  
127 in the municipality. If no protest is filed, then the governing  
128 authorities shall state that fact in their minutes and may  
129 continue the levy and assessment of the tax.

130 This subsection (2) shall not apply if the revenue from the  
131 tax authorized by this chapter has been contractually pledged for  
132 the payment of debt incurred prior to the effective date of House  
133 Bill No. 1328, 2012 Regular Session, until such time as the debt  
134 is satisfied. Once the debt has been satisfied, the governing  
135 authorities shall, within sixty (60) days, adopt a resolution  
136 declaring the intention of the governing authorities to continue  
137 the tax which shall initiate the procedure described in subsection  
138 (1) of this section.

139 Section 4. Accounting for receipts and expenditures of the  
140 funds herein described shall be made separately from the  
141 accounting of receipts and expenditures of the general fund and  
142 any other funds of the City of Pontotoc, Mississippi. The records  
143 reflecting the receipts and expenditures of the funds prescribed



144 herein shall be audited annually by an independent certified  
145 public accountant, and the accountant shall make a written report  
146 of his audit to the governing authorities. The audit shall be  
147 made and completed as soon as practicable after the close of the  
148 fiscal year, and expenses of such audit shall be paid from the  
149 funds derived in accordance with this act.

150 Section 5. The provisions of this act shall be repealed from  
151 and after July 1, \* \* \* 2028.

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

