

By: Representative Clark

To: Local and Private
Legislation

HOUSE BILL NO. 4115

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 DURANT, MISSISSIPPI, TO LEVY A 3% TAX UPON THE GROSS PROCEEDS OF
3 SALES OF RESTAURANTS FOR THE PURPOSE OF PROVIDING FUNDS TO PROMOTE
4 TOURISM AND PARKS AND RECREATION WITHIN THE CITY; TO REQUIRE AN
5 ELECTION BE HELD ON THE QUESTION OF WHETHER SUCH TAX MAY BE
6 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 terms have the
9 meanings ascribed to them in this section unless the context
10 clearly indicates otherwise:

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

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

14 (c) "Prepared food" means food prepared on the premises
15 of a restaurant.

16 (d) "Restaurant" means all places within the corporate
17 limits of the city where prepared food and beverages are sold for
18 consumption, whether such food is consumed on the premises or not.
19 The term "restaurant" does not include any school; hospital;
20 convalescent or nursing home; and restaurant-like facility



21 operated by or in connection with a school, hospital, medical
22 clinic, convalescent or nursing home providing food for students,
23 patients, visitors or their families.

24 **SECTION 2.** (1) For the purpose of providing funds to
25 promote tourism and parks and recreation within the city, the
26 governing authorities of the City of Durant, Mississippi, in their
27 discretion, may levy, assess and collect a tax from persons, firms
28 or corporations specified in this subsection, a tax, which shall
29 be in addition to all other taxes or assessments imposed. The tax
30 shall be imposed upon every person, firm or corporation operating
31 a restaurant in the City of Durant, Mississippi, where prepared
32 food and drink is sold to the public, at a rate not to exceed
33 three percent (3%) of the gross proceeds of the sales of such
34 restaurant or business.

35 (2) Persons, firms, corporations or other entities liable
36 for the tax imposed under subsection (1) of this section shall add
37 the amount of the tax to the sales price of the food and beverages
38 and shall collect, insofar as practicable, the amount of the tax
39 due from the person purchasing the food or beverages at the time
40 of payment therefor.

41 **SECTION 3.** Before any tax authorized under this act may be
42 imposed, the governing authorities shall adopt a resolution
43 declaring their intention to levy the tax, setting forth the
44 amount of the tax to be imposed, the date upon which the tax shall
45 become effective and calling for an election to be held on the



46 question. The date of the election shall be fixed in the
47 resolution. Notice of the intention and the election shall be
48 published once each week for at least three (3) consecutive weeks
49 in a newspaper published or having a general circulation in the
50 city, with the first publication of the notice to be made not less
51 than twenty-one (21) days before the date fixed in the resolution
52 for the election and the last publication to be made not more than
53 seven (7) days before the election. At the election, all
54 qualified electors of the city may vote, and the ballots used in
55 the election shall have printed thereon a brief statement of the
56 amount and purposes of the proposed tax levy and the words "FOR
57 THE TAX" and, on a separate line, "AGAINST THE TAX" and the voters
58 shall vote by placing a cross (X) or check (✓) opposite their
59 choice on the proposition. When the results of the election shall
60 have been canvassed and certified, the city may levy the tax if
61 sixty percent (60%) of the qualified electors who vote in the
62 election vote in favor of the tax. At least thirty (30) days
63 before the effective date of the tax, the governing authorities
64 shall furnish to the Department of Revenue a certified copy of the
65 resolution evidencing the tax.

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



71 (2) The tax must be collected by and paid to the Department
72 of Revenue in the same manner that state sales taxes are computed,
73 collected and paid, and the full enforcement provisions and all
74 other provisions of Chapter 65, Title 27, Mississippi Code of
75 1972, will apply as necessary for the implementation of this act.

76 (3) Except for any amount retained by the Department of
77 Revenue under Section 27-3-58, Mississippi Code of 1972, the
78 revenue from the special tax collected under this act must be paid
79 to the city on or before the fifteenth day of the month following
80 the month in which collected.

81 (4) Accounting for receipts and expenditures of the revenue
82 from the tax shall be made separately from the accounting of
83 receipts and expenditures of the general fund and any other funds
84 of the city. The records reflecting the receipts and expenditures
85 of the revenue from the tax shall be audited annually by an
86 independent certified public accountant, and the accountant shall
87 make a written report of his audit to the governing authorities.
88 The audit shall be made and completed as soon as practicable after
89 the close of the fiscal year, and expenses of the audit shall be
90 paid from the funds derived pursuant to this act.

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



96 **SECTION 5.** This act shall be repealed from and after July 1,
97 2028.

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

