

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.

