

By: Senator(s) Branning

To: Local and Private

SENATE BILL NO. 2663  
(As Sent to Governor)

1 AN ACT TO AMEND CHAPTER 936, LOCAL AND PRIVATE LAWS OF 2016,  
2 AS AMENDED BY CHAPTER 911, LOCAL AND PRIVATE LAWS OF 2018, TO  
3 EXTEND UNTIL JULY 1, 2028, THE REPEAL DATE ON THE LAW THAT  
4 AUTHORIZES THE GOVERNING AUTHORITIES OF THE CITY OF CARTHAGE,  
5 MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS OF SALES OF  
6 HOTELS AND MOTELS DERIVED FROM ROOM RENTALS AND UPON THE GROSS  
7 PROCEEDS OF SALES OF RESTAURANTS FOR THE PURPOSE OF PROVIDING  
8 FUNDS FOR RECREATION AND TOURISM FACILITIES; AND FOR RELATED  
9 PURPOSES.

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

11 **SECTION 1.** Chapter 936, Local and Private Laws of 2016, as  
12 amended by Chapter 911, Local and Private Laws of 2018, is amended  
13 as follows:

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

17 (a) "City" means the City of Carthage, Mississippi.

18 (b) "Governing authorities" means the governing  
19 authorities of the City of Carthage, Mississippi.

20 (c) "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 the establishment consists of six (6) or more guest  
24 rooms. The term "hotel" or "motel" does not include any hospital,  
25 convalescent or nursing home or sanitarium, or any hotel-like  
26 facility operated by or in connection with a hospital or medical  
27 clinic providing rooms exclusively for patients and their  
28 families.

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

37 Section 2. (1) For the purposes of providing funds to  
38 promote tourism and parks and recreation in the city, including,  
39 but not limited to, paying the principal of and interest on bonds  
40 issued on the indebtedness incurred under Section 5 of this act,  
41 the governing authorities are authorized, in their discretion, to  
42 levy and collect from the following persons a tax, which shall be  
43 in addition to all of the taxes and assessments imposed. The tax  
44 shall be imposed on the following persons:

45 (a) A tax upon every person, firm or corporation  
46 operating a motel or hotel in the City of Carthage, at a rate not



47 to exceed two percent (2%) of the gross proceeds of room rentals  
48 for each such hotel or motel.

49 (b) A tax upon every person, firm or corporation  
50 operating a restaurant in the City of Carthage, at a rate not to  
51 exceed two percent (2%) of the gross proceeds of the sales of the  
52 restaurant.

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

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

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



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

74 Section 3. Before any tax authorized under this act may be  
75 imposed, the governing authorities shall adopt a resolution  
76 declaring their intention to levy the tax, setting forth the  
77 amount of the tax to be imposed, the date upon which the tax shall  
78 become effective and calling for an election to be held on the  
79 question. The date of the election shall be fixed in the  
80 resolution. Notice of such intention and the election shall be  
81 published once each week for at least three (3) consecutive weeks  
82 in a newspaper published or having a general circulation in the  
83 City of Carthage, with the first publication of the notice to be  
84 made not less than twenty-one (21) days before the date fixed in  
85 the resolution for the election and the last publication to be  
86 made not more than seven (7) days before the election. At the  
87 election, all qualified electors of the City of Carthage may vote,  
88 and the ballots used in the election shall have printed thereon a  
89 brief statement of the amount and purposes of the proposed tax  
90 levy and the words "FOR THE TAX" and, on a separate line, "AGAINST  
91 THE TAX" and the voters shall vote by placing a cross (X) or check  
92 (✓) opposite their choice on the proposition. When the results  
93 of the election shall have been canvassed and certified, the city  
94 may levy the tax if sixty percent (60%) of the qualified electors  
95 who vote in the election vote in favor of the tax. At least



96 thirty (30) days before the effective date of the tax provided in  
97 this section, the governing authorities shall furnish to the  
98 Department of Revenue a certified copy of the resolution  
99 evidencing the tax.

100 Section 4. Accounting for receipts and expenditures of the  
101 funds herein described shall be made separately from the  
102 accounting of receipts and expenditures of the general fund and  
103 any other funds of the City of Carthage. The records reflecting  
104 the receipts and expenditures of the funds prescribed in this act  
105 shall be audited annually by an independent certified public  
106 accountant, and the accountant shall make a written report of his  
107 audit to the governing authorities. The audit shall be made and  
108 completed as soon as practicable after the close of the fiscal  
109 year, and expenses of the audit shall be paid from the funds  
110 derived in accordance with this act.

111 Section 5. (1) For the purposes of providing funds to pay  
112 costs associated with constructing, equipping, owning, operating,  
113 leasing, furnishing, improving and maintaining recreation and  
114 tourism venues, parks and recreational facilities described in  
115 Section 2 of this act, the governing authorities are authorized to  
116 issue general obligation bonds of the municipality or incur other  
117 indebtedness in an aggregate principal amount that is not in  
118 excess of an amount for which debt service is capable of being  
119 funded by the proceeds of the special sales tax levied under this  
120 act.



121           (2) Except as otherwise provided in this section, bonds  
122 issued under this section shall be issued in accordance with the  
123 provisions of Sections 21-33-301 through 21-33-329. Bonds  
124 authorized to be issued under this section shall not be included  
125 in the limitation on indebtedness imposed in Section 21-33-303 or  
126 any other limitation on indebtedness of the city. Bonds issued  
127 under the provisions of this section and income therefrom shall be  
128 exempt from all taxation in the State of Mississippi.

129           Section 6. This act shall be repealed from and after July  
130 1, \* \* \* 2028.

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

