

By: Senator(s) Michel, Horhn

To: Local and Private;
Finance

SENATE BILL NO. 3221

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 RIDGELAND TO LEVY, ASSESS AND COLLECT A 1% TAX ON THE GROSS
3 PROCEEDS OF ALL SALES FROM RESTAURANTS, AND A 2% TAX ON THE GROSS
4 PROCEEDS OF ALL SALES FROM HOTELS AND MOTELS TO PROVIDE FUNDS
5 SOLELY FOR CAPITAL IMPROVEMENTS FOR THE ENHANCEMENT OF FREEDOM
6 RIDGE PARK, PHASE II; 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 shall
9 have the meanings ascribed herein unless otherwise clearly
10 indicated by context:

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

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

14 (c) "Hotel" or "motel" means and includes a place of
15 lodging that at any one (1) time will accommodate transient guests
16 on a daily or weekly basis and that is known to the trade as such.
17 Such terms shall not include a place of lodging with ten (10) or
18 fewer rental units.

19 (d) "Restaurant" means and includes all places where
20 prepared food is sold and whose annual gross proceeds of sales or



21 gross income for the preceding calendar year equals or exceeds One
22 Hundred Thousand Dollars (\$100,000.00). For the purpose of
23 calculating gross proceeds of sales or gross income, the sales or
24 income of all establishments owned, operated or controlled by the
25 same person or corporation shall be aggregated.

26 (e) "Prepared food" means food prepared on the premises
27 of a restaurant.

28 **SECTION 2.** (1) For the purpose of providing funds for
29 capital improvements for the enhancement of Freedom Ridge Park,
30 the governing authorities, in their discretion, may hereby levy,
31 assess and collect a special tax from persons, firms or
32 corporations specified in this subsection, which shall be in
33 addition to all other taxes or assessments imposed. The special
34 tax may be imposed upon every person, firm or corporation that:

35 (a) Operates a restaurant in the city where prepared
36 food and drink are sold to the public, at a rate not to exceed one
37 percent (1%) of the gross proceeds of the sales of such
38 restaurant; and

39 (b) Operates a hotel or motel in the city at a rate not
40 to exceed two percent (2%) of the gross proceeds of room rentals
41 for each such hotel or motel.

42 (2) Persons, firms, corporations or other entities liable
43 for the tax imposed under subsection (1) of this section shall add
44 the amount of the tax to the sales price and shall collect,
45 insofar as practicable, the amount of the tax due from the person



46 purchasing the food, beverages, hotel or motel accommodations at
47 the time of payment therefor.

48 (3) The special tax shall be collected by and paid to the
49 Department of Revenue on a form prescribed by the department in
50 the manner that general state sales taxes are computed, collected
51 and paid. Full enforcement provisions and all other provisions of
52 Section 27-65-1 et seq., Mississippi Code of 1972, shall apply as
53 necessary to the implementation and administration of this act.

54 (4) Except for any amount retained by the Department of
55 Revenue pursuant to Section 27-3-58, Mississippi Code of 1972, the
56 proceeds of the special tax shall be paid to the city on or before
57 the fifteenth day of the month following the month in which such
58 special tax is collected.

59 (5) The proceeds of the special tax shall not be considered
60 by the city as general fund revenues but shall be dedicated to and
61 expended solely for the purpose of capital improvements for the
62 enhancement of Freedom Ridge Park, Phase II.

63 **SECTION 3.** Before any special tax authorized pursuant to
64 this act may be levied, the governing authorities shall adopt a
65 resolution declaring their intention to levy the special tax,
66 setting forth the amount of the special tax to be levied, the date
67 upon which the special tax shall become effective, and calling for
68 an election to be held on the question of the levy of the special
69 tax. The date of the election shall be the first Tuesday after
70 the first Monday in November 2024. Notice of such intention and



71 the election shall be published once each week for at least three
72 (3) consecutive weeks in a newspaper published in or having a
73 general circulation in the city, with the first publication of the
74 notice to be made not less than twenty-one (21) days before the
75 date fixed in the resolution for the election and the last
76 publication to be made not more than seven (7) days before the
77 date fixed in the resolution for the election. At the election,
78 all qualified electors of the city may vote, and the ballots used
79 in the election shall have printed thereon a brief statement of
80 the amount and purposes of the proposed special tax levy and the
81 words "FOR THE TAX" and, on a separate line, "AGAINST THE TAX,"
82 and the voters shall vote by placing a cross (X) or check (☐)
83 opposite their choice on the ballot. When the results of the
84 election have been canvassed and certified, the city may levy the
85 special tax if sixty percent (60%) of the qualified electors who
86 vote in the election vote in favor of the special tax. At least
87 thirty (30) days before the effective date of the special tax
88 provided in this section, the governing authorities shall furnish
89 a certified copy of the resolution evidencing the special tax to
90 the Department of Revenue.

91 **SECTION 4.** Accounting for receipts and expenditures of the
92 funds generated by the special tax herein described shall be made
93 separately from the accounting of receipts and expenditures of the
94 general fund and any other funds of the city. The records
95 reflecting the receipts and expenditures of the funds generated by



96 the special tax prescribed in this act shall be audited annually
97 by an independent certified public accountant, and the accountant
98 shall make a written report of the audit to the governing
99 authorities. The audit shall be made and completed as soon as
100 practicable after the close of the fiscal year, and expenses of
101 the audit shall be paid from the funds derived in accordance with
102 this act.

103 **SECTION 5.** This act shall stand repealed from and after the
104 first day of the month immediately succeeding the date the final
105 payment has been issued to cover the capital improvements for the
106 enhancement of Freedom Ridge Park, Phase II.

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

