

By: Senator(s) Johnson

To: Local and Private

SENATE BILL NO. 3059

1 AN ACT TO AMEND CHAPTER 952, LOCAL AND PRIVATE LAWS OF 2018,
2 AS AMENDED BY CHAPTER 907, LOCAL AND PRIVATE LAWS OF 2022, TO
3 EXTEND UNTIL JULY 1, 2026, THE REPEAL DATE ON THE PROVISIONS OF
4 LAW AUTHORIZING THE GOVERNING AUTHORITIES OF THE CITY OF
5 HATTIESBURG, MISSISSIPPI, TO LEVY AN ADDITIONAL TAX ON HOTELS,
6 MOTELS AND RESTAURANTS, PROVIDING THAT THE PROCEEDS OF THE TAX
7 SHALL BE USED BY THE CITY TO PROMOTE TOURISM AND PARKS AND
8 RECREATION, AUTHORIZING THE CITY TO DISTRIBUTE A PORTION OF THE
9 TAX TO THE UNIVERSITY OF SOUTHERN MISSISSIPPI TO BE USED BY THE
10 UNIVERSITY FOR IMPROVEMENTS TO ITS ATHLETIC FACILITIES, AND
11 AUTHORIZING THE CITY TO RECEIVE AND EXPEND REVENUES FROM ANY
12 SOURCE FOR THE PURPOSES AUTHORIZED IN THIS ACT; AND FOR RELATED
13 PURPOSES.

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

15 **SECTION 1.** Chapter 952, Local and Private Laws of 2018, as
16 amended by Chapter 907, Local and Private Laws of 2022, is amended
17 as follows:

18 Section 1. As used in this act:

19 (a) "City" means the City of Hattiesburg, Mississippi.

20 (b) "Governing authorities" means the governing
21 authorities of the City of Hattiesburg, Mississippi.

22 (c) "Hotel" or "motel" means a place of lodging that at
23 any one time will accommodate transient guests on a daily or



24 weekly basis, excluding hotels or motels with ten (10) or less
25 overnight rental units.

26 (d) "Restaurant" means all places where prepared food
27 and beverages are sold for consumption whether such food is
28 consumed on the premises or not. The term "restaurant" does not
29 include any school, hospital, medical clinic, convalescent or
30 nursing home providing food for students, patients, visitors and
31 their families, or any restaurant having annual gross sales of
32 less than One Hundred Thousand Dollars (\$100,000.00).

33 Section 2. (1) For the purpose of promoting tourism and
34 parks and recreation, the governing authorities are hereby
35 authorized, in their discretion, to levy, assess and collect, in
36 addition to all other taxes now imposed:

37 (a) A tax upon every person, firm or corporation
38 operating hotels and motels in the city, in an amount not to
39 exceed one percent (1%) of the gross proceeds from overnight room
40 rental, exclusive of charges for food, telephone, laundry,
41 beverages and similar charges.

42 (b) A tax upon every person, firm or corporation
43 operating a restaurant in the city in an amount not to exceed one
44 percent (1%) of the gross income of the restaurant.

45 (2) Persons, firms or corporations liable for the levy
46 imposed under subsection (1) of this section shall add the amount
47 of the levy to the sales price of the rooms and products set out
48 in subsection (1) of this section and shall collect, insofar as is



49 practicable, the amount of the tax due by them from the person
50 receiving the services or product at the time of payment therefor.

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

57 (4) The proceeds of the tax, less three percent (3%) thereof
58 which shall be retained by the Department of Revenue to defray the
59 cost of collection, shall be paid to the governing authorities on
60 or before the fifteenth day of the month following the month in
61 which collected.

62 (5) The proceeds of the tax shall not be considered by the
63 city as general fund revenues but shall be dedicated to and
64 expended solely for the purposes specified in this section;
65 however, fifty percent (50%) of the proceeds derived from the tax
66 collected under this act may be distributed by the governing
67 authorities to The University of Southern Mississippi to be used
68 by the university for improvements to its athletic facilities.

69 Section 3. Before any tax authorized under this act may be
70 imposed, the governing authorities shall adopt a resolution
71 declaring their intention to levy the tax, setting forth the
72 amount of the tax to be imposed, the date upon which the tax shall
73 become effective and calling for an election to be held on the



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

94 Section 4. Accounting for receipts and expenditures of the
95 funds herein described shall be made separately from the
96 accounting of receipts and expenditures of the general fund and
97 any other funds of the city. The records reflecting the receipts
98 and expenditures of the funds prescribed in this act shall be



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

105 Section 5. The city is authorized to receive and expend
106 revenues from any source for the purposes authorized in this act.

107 Section 6. This act shall be repealed from and after July
108 1, * * * 2030.

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

