

By: Representatives Holden, Perkins

To: Local and Private
LegislationHOUSE BILL NO. 772
(As Passed the House)

1 AN ACT TO REENACT AND AMEND CHAPTER 879, LOCAL AND PRIVATE
2 LAWS OF 1992, AS AMENDED BY CHAPTER 975, LOCAL AND PRIVATE LAWS OF
3 1994, WHICH CREATES THE GRENADA TOURISM COMMISSION AND AUTHORIZES
4 THE IMPOSITION OF A TOURIST AND CONVENTION TAX, TO REPEAL THE
5 EFFECTIVE DATE SECTIONS OF CHAPTER 975, LOCAL AND PRIVATE LAWS OF
6 1994; TO EXTEND THE REPEALER FROM SEPTEMBER 30, 1999, TO SEPTEMBER
7 30, 2003; AND FOR RELATED PURPOSES.

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

9 SECTION 1. Chapter 879, Local and Private Laws of 1992, as
10 amended by Chapter 975, Local and Private Laws of 1994, is
11 reenacted and amended as follows:

12 Section 1. The following words and phrases shall have the
13 meanings ascribed in this section unless the context clearly
14 indicates otherwise:

15 (a) "Bar" means any bar, tavern or lounge where
16 alcoholic beverages are sold for consumption on the premises;

17 (b) "Commission" means the Grenada Tourism Commission;

18 (c) "City" means the City of Grenada, Mississippi;

19 (d) "Governing authorities" means the Mayor and City
20 Council of the City of Grenada;

21 (e) "Hotel" or "motel" means a place of lodging with
22 more than six (6) rental units that at any one (1) time will
23 accommodate transient guests on a daily or weekly basis and that
24 is known to the trade as such;

25 (f) "Prepared food" means food prepared on the
26 premises;

27 (g) "Restaurant" means any place, including hotel and
28 motel dining rooms, cafeterias, cafes and lunch stands, as well as

29 grocery and convenience stores where prepared food and drink are
30 sold for consumption either upon or off the premises.

31 Section 2. (1) There is created and established the Grenada
32 Tourism Commission, hereinafter referred to in this act as the
33 "commission." The governing authority of the City of Grenada,
34 Mississippi, shall be authorized to contract with the Grenada
35 Tourism Commission for the administrative responsibilities of a
36 tourism program for the Grenada area. All contracts between the
37 commission and the City of Grenada, Mississippi, shall be signed
38 by the chairman of the commission and shall be on such terms and
39 for such duration as the parties may agree. Minutes of all
40 meetings shall be kept by the commission and submitted to the
41 Grenada City Council.

42 (2) The commission shall have jurisdiction and authority
43 over all matters relating to establishing, promoting and
44 developing tourism, along with related matters in the Grenada
45 area. The commission shall be authorized to own, lease, rent or
46 otherwise furnish, equip and operate any and all facilities and
47 equipment necessary or useful in the promotion of tourism and to
48 receive and expend, subject to the provisions of this act,
49 revenues from other sources.

50 (3) The commission shall be composed of seven (7) members as
51 follows:

52 (a) One (1) member shall be selected by the Grenada
53 Restaurant Association;

54 (b) One (1) member shall be selected by the Grenada
55 Motel/Hotel Association;

56 (c) One (1) member shall be selected by the Grenada
57 Hotel/Motel and Restaurant Association;

58 (d) The Director of the Grenada County Chamber of
59 Commerce or an employee of the Chamber of Commerce appointed by
60 the Director of the Chamber;

61 (e) One (1) member of the business community at large
62 appointed by the Board of Directors of the Chamber of Commerce;
63 and

64 (f) Two (2) members at large from the city, one (1) of
65 which must be minority, appointed by the Grenada City Council.

66 Appointments to the commission shall be for a term of two (2)
67 years.

68 Any vacancy which may occur shall be filled by the appointing
69 authority for the unexpired term. Each member shall serve until
70 his successor is appointed and qualifies.

71 The members shall elect from among themselves a chairman. A
72 member of the commission shall not serve as chairman for more than
73 two (2) consecutive two-year terms.

74 (4) The commission is authorized to employ personnel, to
75 obtain supplies, furnishings and other facilities necessary to
76 administer the affairs and duties of the commission, and to pay
77 for the same out of the revenue provided by this act.

78 Section 3. (1) For the purpose of providing funds for the
79 commission to promote tourism and conventions, the governing
80 authority of the City of Grenada, Mississippi, is authorized to
81 levy upon every person, firm or corporation operating a hotel or
82 motel in such city, a tax, which may be cited as a "tourism tax,"
83 at a rate not to exceed two percent (2%) of the gross proceeds of
84 sales from room rentals of hotels and motels in the city,
85 including charges for telephone, laundry and other similar
86 charges. The tax shall not be levied upon or collected from gross
87 proceeds of nontaxable rooms nor room rentals for day meetings
88 that do not serve as overnight sleeping accommodations. Such tax
89 shall be in addition to all other taxes now imposed.

90 (2) The governing authorities also are authorized to impose
91 upon persons doing business within the city other than the tax
92 imposed on hotel and motel rooms under subsection (1) of this
93 section, a tax at a rate of not to exceed one percent (1%) on the
94 gross receipts of restaurants and bars from retail sales of
95 prepared food, beer and/or alcoholic beverages; however, the tax
96 shall not apply to restaurants/bars whose gross proceeds of sales
97 or gross income is less than One Hundred Thousand Dollars
98 (\$100,000.00) per calendar year based upon sales or income for the

99 preceding calendar year. For the purposes of calculating gross
100 proceeds of sales or gross income, the sales or income of all
101 establishments owned, operated or controlled by the same person,
102 persons or corporations shall be aggregated.

103 (3) Before a tax authorized by this act may be imposed, the
104 governing authority of the City of Grenada, Mississippi, shall
105 adopt a resolution declaring its intention to levy the tax and
106 establishing the amount of the tax levy and the date on which this
107 tax initially shall be levied and collected. This date shall be
108 the first day of a month but shall not be sooner than the first
109 day of the second month following the date of adoption of the
110 resolution. Notice of the proposed tax levy shall be published
111 once each week for at least three (3) consecutive weeks in a
112 newspaper having a general circulation in the city. The first
113 publication of such notice shall be made not less than twenty-one
114 (21) days prior to the date fixed in the resolution on which the
115 governing authority proposes to levy such tax, and the last
116 publication of such notice shall be made not more than seven (7)
117 days prior to such date. If, within the time of giving notice,
118 twenty percent (20%) or fifteen hundred (1500), whichever is less,
119 of the qualified electors of the city file a written petition
120 against the levy of such tax, then such tax shall not be levied
121 unless authorized by a majority of the qualified electors of such
122 city voting at an election called and held for that purpose.
123 Prior to the effective date of the tax levy approved as herein
124 provided, the governing authority shall furnish to the Chairman of
125 the State Tax Commission a certified copy of the resolution
126 evidencing such tax levy.

127 (4) Persons, firms or corporations liable for the tax
128 imposed herein shall add the amount of tax to the sales price of
129 room rentals and, in addition thereto, shall collect, insofar as
130 practicable, the amount of the tax due from the person receiving
131 the services at the time of payment therefor.

132 (5) Such tax shall be collected by and paid to the State Tax
133 Commission on a form prescribed by the State Tax Commission, in
134 the same manner that state sales taxes are computed, collected and
135 paid; and the full enforcement provisions and all other provisions
136 of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as
137 necessary to the implementation and administration of this act.

138 (6) The proceeds of such tax, less three percent (3%) to be
139 retained by the State Tax Commission to defray the costs of
140 collection, shall be paid to the governing authority of the City
141 of Grenada, Mississippi, on or before the fifteenth day of the
142 month following the month in which collected.

143 (7) The proceeds of the tax shall not be considered by the
144 city as general fund revenues but shall be dedicated to and used
145 by the commission solely for the purpose of carrying out programs
146 and activities designed to attract tourists to the city and
147 surrounding area. Fifty percent (50%) of the tax or revenue shall
148 be placed in an interest bearing tourism escrow fund for the
149 construction, financing and operation of a convention center or
150 any other use that may promote tourism as determined by the City
151 of Grenada. The convention center shall be carefully planned and
152 constructed with the cooperation of the governing authorities and
153 the commission.

154 (8) Before the expenditure of funds herein prescribed, a
155 budget reflecting the anticipated receipts and expenditures shall
156 be approved by the governing authorities. The first budget of
157 receipts and expenditures shall cover the period beginning with
158 the effective date of the taxes and ending with the end of the
159 city's fiscal year, and, thereafter, the budget shall be on the
160 same fiscal basis as the budget of the city.

161 Section 4. The books of the commission shall be audited
162 annually by an independent certified public accountant, and the
163 accountant shall make a written report of his audit to the
164 commission who shall thereupon submit a copy of such report to the

governing authority of the City of Grenada, Mississippi. Such audit shall be made and completed as soon as practicable after the close of the fiscal year, and copies of the report of such audit shall be filed with the city clerk within fifteen (15) days after receipt thereof by the commission.

Section 5. Sections 1 through 4 of Chapter 879, Local and Private Laws of 1992, as amended by Chapter 975, Local and Private Laws of 1994, shall stand repealed on September 30, 2003.

SECTION 2. Sections 2 and 3 of Chapter 975, Local and Private Laws of 1994, which constitute the effective date of that chapter, including a repealer date of September 30, 1999, are repealed.

SECTION 3. This act shall take effect and be in force from and after its passage.