

By: Representatives Weathersby, Rogers

To: Local and Private  
Legislation; Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1632

1 AN ACT TO AMEND CHAPTER 938, LOCAL AND PRIVATE LAWS OF 1998,  
2 AS AMENDED BY CHAPTER 981, LOCAL AND PRIVATE LAWS OF 1999, TO  
3 EXTEND THE REPEAL DATE ON THE LAW THAT AUTHORIZES THE CITY OF  
4 RICHLAND TO IMPOSE A TAX UPON THE GROSS SALES OF BARS AND  
5 RESTAURANTS FOR THE PURPOSE OF THE CONSTRUCTION OF A MULTIPURPOSE  
6 BUILDING TO BE USED AS A COMMUNITY CENTER; TO CLARIFY THAT THE  
7 CONTINUATION OF SUCH TAX SHALL BE ONLY FOR THE PURPOSE OF  
8 AMORTIZING OR DEFRAYING THE DEBT INVOLVED IN CONNECTION WITH THE  
9 CONSTRUCTION OF SUCH BUILDING.

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

11 SECTION 1. Chapter 938, Local and Private Laws of 1998, as  
12 amended by Chapter 981, Local and Private Laws of 1999, is amended  
13 as follows:

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

18 (a) "Governing authorities" means the governing  
19 authorities of the City of Richland, Mississippi.

20 (b) "Bar" means all places, required by law to possess  
21 an on-premises Alcoholic Beverage Control permit, where beer  
22 and/or alcoholic beverages are sold for consumption on the  
23 premises.

24 (c) "Restaurant" means all places where prepared food  
25 and beverages, including beer and alcoholic beverages, are sold  
26 for consumption, whether such food is consumed on the premises or  
27 not. The term "restaurant" does not include any school, hospital,  
28 convalescent or nursing home, or any restaurant-like facility  
29 operated by or in connection with a school, hospital, medical



30 clinic, convalescent or nursing home providing food for students,  
31 patients, visitors or their families.

32 Section 2. (1) For the purpose of providing funds for the  
33 amortization or defraying of any indebtedness incurred by the City  
34 of Richland in connection with the construction of a multipurpose  
35 building to be used for a community center \* \* \*, the governing  
36 authorities of the City of Richland are authorized, in their  
37 discretion, to levy and collect from the following persons a tax,  
38 which shall be in addition to all of the taxes and assessments  
39 imposed. The tax shall be imposed on the following persons:

40 (a) A tax upon every person, firm or corporation  
41 operating a bar in the City of Richland, at a rate not to exceed  
42 two percent (2%) of the gross proceeds of the sales of such bar;  
43 and

44 (b) A tax upon every person, firm or corporation  
45 operating a restaurant in the City of Richland, at a rate not to  
46 exceed two percent (2%) of the gross proceeds of the sales of beer  
47 and alcoholic beverages sold for consumption on the premises and  
48 all prepared foods of such restaurant.

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

56 (3) Such tax shall be collected by and paid to the State Tax  
57 Commission on a form prescribed by the State Tax Commission in the  
58 manner that state sales taxes are computed, collected and paid;  
59 and full enforcement provisions and all other provisions of  
60 Chapter 65, Title 27, Mississippi Code of 1972, shall apply as  
61 necessary to the implementation and administration of this act.



62           (4) The proceeds of such tax, less three percent (3%)  
63 thereof which shall be retained by the State Tax Commission to  
64 defray the cost of collection, shall be paid to the governing  
65 authorities of the City of Richland, on or before the fifteenth  
66 day of the month in which collected.

67           (5) The proceeds of such tax shall not be considered by the  
68 City of Richland as general fund revenues but shall be dedicated  
69 to and expended solely for the purposes specified in this section.

70           Section 3. Before any tax authorized under this act may be  
71 imposed, the governing authorities shall adopt a resolution  
72 declaring its intention to levy the tax, setting forth the amount  
73 of such tax to be imposed, the date upon which such tax shall  
74 become effective and calling for a referendum to be held on the  
75 question. The date of the election shall be the first Tuesday  
76 after the first Monday in November 1998. Notice of such intention  
77 shall be published once each week for at least three (3)  
78 consecutive weeks in a newspaper published or having a general  
79 circulation in the county, with the first publication of such  
80 notice to be made not less than twenty-one (21) days before the  
81 date fixed in the resolution for the election and the last  
82 publication to be made not more than seven (7) days before the  
83 election. At the election, all qualified electors of the City of  
84 Richland may vote, and the ballots used in such election shall  
85 have printed thereon a brief statement of the amount and purposes  
86 of the proposed tax levy and the words "FOR THE ECONOMIC AND  
87 COMMUNITY DEVELOPMENT TAX" and, on a separate line, "AGAINST THE  
88 ECONOMIC AND COMMUNITY DEVELOPMENT TAX," and the voters shall vote  
89 by placing a cross (X) or check (✓) opposite their choice on the  
90 proposition. When the results of any such election shall have  
91 been canvassed by the election commission of the county and  
92 certified, the city may levy the tax beginning on the first day of  
93 January 1999, if a majority of the qualified electors who vote in  
94 the election vote in favor of the tax.



95           Section 4. Accounting for receipts and expenditures of the  
96 funds described in this act must be made separately from the  
97 accounting of receipts and expenditures of the general fund and  
98 any other funds of the City of Richland. The records reflecting  
99 the receipts and expenditures of the funds prescribed in this act  
100 shall be audited annually by an independent certified public  
101 accountant, and the accountant shall make a written report of his  
102 audit to the governing authorities. The audit shall be made and  
103 completed as soon as practicable after the close of the fiscal  
104 year, and expenses of such audit shall be paid from the funds  
105 derived pursuant to this act.

106           Section 5. This act shall be repealed from and after the  
107 earlier of:

108                   (a) December 31, 2025, or

109                   (b) Not more than two (2) months following the time  
110 that:

111                           (i) The multipurpose building authorized to be  
112 constructed by this act has been completed, and

113                           (ii) Either all principal, interest, costs and  
114 other expenses for all bonds, notes or other borrowings to pay the  
115 cost of constructing such building have been paid and are  
116 completely satisfied, or there exists in any special account  
117 established to retire such bonds, notes or other borrowings, an  
118 amount on deposit which, together with any earnings on investments  
119 to accrue to the account, is equal to or greater than the amount  
120 necessary to pay such indebtedness.

121           Section 6. The governing authorities of the City of Richland  
122 shall submit this act, immediately upon approval by the Governor,  
123 or upon approval by the Legislature subsequent to a veto, to the  
124 Attorney General of the United States or to the United States  
125 District Court for the District of Columbia in accordance with the  
126 provisions of the Voting Rights Act of 1965, as amended and  
127 extended.



128           Section 7. This act shall take effect and be in force from  
129 and after the date it is effectuated under Section 5 of the Voting  
130 Rights Act of 1965, as amended and extended.

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

