

By: Senator(s) Harden, Horhn

To: Local and Private

SENATE BILL NO. 3199

1 AN ACT TO AUTHORIZE THE BOARD OF SUPERVISORS OF HINDS COUNTY
 2 TO IMPOSE A SPECIAL SALES TAX OF NOT MORE THAN ONE PERCENT ON THE
 3 GROSS PROCEEDS OF ALL SALES OR THE GROSS INCOME OF BUSINESSES
 4 WITHIN THE COUNTY OUTSIDE THE BOUNDARIES OF ANY INCORPORATED
 5 MUNICIPALITY DERIVED FROM ACTIVITIES TAXED AT THE RATE OF SEVEN
 6 PERCENT OR MORE UNDER THE MISSISSIPPI SALES TAX LAW; TO PROVIDE
 7 FOR A PETITION ELECTION ON THE QUESTION OF IMPOSING THE SPECIAL
 8 SALES TAX; TO AUTHORIZE THE COUNTY TO INCUR INDEBTEDNESS IN AN
 9 AMOUNT NOT GREATER THAN AN AMOUNT WHOSE DEBT SERVICE IS CAPABLE OF
 10 BEING FUNDED BY THE PROCEEDS OF THE SPECIAL SALES TAX; TO PROVIDE
 11 THAT THE SPECIAL SALES TAX REVENUE COLLECTED PURSUANT TO SUCH A
 12 TAX SHALL BE USED AND EXPENDED BY THE COUNTY ONLY TO FUND
 13 INFRASTRUCTURE AND/OR RECREATIONAL PROJECTS; AND FOR RELATED
 14 PURPOSES.

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

16 SECTION 1. The Board of Supervisors of Hinds County, in its
 17 discretion, may impose upon all persons as a privilege for
 18 engaging or continuing in business or doing business within the
 19 county, but outside the boundaries of any incorporated
 20 municipality, a special sales tax at the rate of not more than one
 21 percent (1%) of the gross proceeds of sales or gross income of the
 22 business, as the case may be, derived from any of the activities
 23 taxed at the rate of seven percent (7%) or more under the
 24 Mississippi Sales Tax Law, Section 27-65-1 et seq., Mississippi
 25 Code of 1972, as provided in this section. The tax levied by this
 26 section shall apply to every person making sales, delivery or
 27 installations of tangible personal property or services within the
 28 county outside the boundaries of any incorporated municipality,
 29 but shall not apply to sales exempted by Sections 27-65-19,
 30 27-65-101, 27-65-103, 27-65-105, 27-65-107, 27-65-109 and
 31 27-65-111 of the Mississippi Sales Tax Law.

32 SECTION 2. Before the tax authorized by this act may be
33 imposed, the board of supervisors shall adopt a resolution
34 declaring its intention to levy the tax, setting forth the amount
35 of the tax and establishing the date on which the tax initially
36 shall be levied and collected. Notice of the proposed tax shall
37 be published once each week for at least three (3) consecutive
38 weeks in a newspaper having a general circulation in the county.
39 The first publication of the notice shall be made not less than
40 twenty-one (21) days before the date fixed in the resolution on
41 which the tax initially is to be levied and collected, and the
42 last publication of the notice shall be made not more than seven
43 (7) days before that date. If, within the time of giving notice,
44 twenty percent (20%) or fifteen hundred (1500), whichever is less,
45 of the qualified electors of the county file a written petition
46 against the levy of the tax, then the tax shall not be levied
47 unless authorized by a majority of the qualified electors of the
48 county, voting at an election to be called and held for that
49 purpose. At least thirty (30) days before the effective date of
50 the tax, the board of supervisors shall furnish to the State Tax
51 Commission a certified copy of the resolution evidencing the tax.

52 SECTION 3. (1) The special sales tax authorized by this act
53 shall be collected by the State Tax Commission, shall be accounted
54 for separately from the amount of sales tax collected for the
55 state in the county and shall be paid to the county. Payments to
56 the county shall be made by the State Tax Commission on or before
57 the fifteenth day of the month following the month in which the
58 tax was collected.

59 (2) The proceeds of the special sales tax shall be placed
60 into a separate fund apart from the county general fund and any
61 other funds of the county, and shall be expended by the county
62 solely for the purpose of paying any indebtedness or other
63 obligation the county may incur for any transportation

64 infrastructure projects or recreational facilities projects, or
65 both, specified in the resolution ordering the election.

66 (3) All provisions of the Mississippi Sales Tax Law
67 applicable to filing of returns, discounts to the taxpayer,
68 remittances to the State Tax Commission, enforced collection,
69 rights of taxpayers, recovery of improper taxes, refunds of
70 overpaid taxes and other provisions of law providing for
71 imposition and collection of the state sales tax shall apply to
72 the special sales tax authorized by this act, except where there
73 is a conflict, in which case the provisions of this act shall
74 control. Any damages, penalties or interest collected for the
75 nonpayment of taxes imposed under this act, or for noncompliance
76 with the provisions of this act, shall be paid to the county on
77 the same basis and in the same manner as the tax proceeds. Any
78 overpayment of tax for any reason that has been disbursed to the
79 county or any payment of the tax to the county in error may be
80 adjusted by the State Tax Commission on any subsequent payment to
81 the county pursuant to the provisions of the Mississippi Sales Tax
82 Law. The State Tax Commission, from time to time, may make such
83 rules and regulations not inconsistent with this act as may be
84 deemed necessary to carry out its provisions, and such rules and
85 regulations shall have the full force and effect of law.

86 SECTION 4. The Board of Supervisors of Hinds County may
87 incur indebtedness of the county in an aggregate principal amount
88 that is not in excess of an amount for which debt service is
89 capable of being funded by the proceeds of the special sales tax
90 levied pursuant to this act. The indebtedness authorized by this
91 section shall not be considered when computing any limitation of
92 indebtedness of the county established by law.

93 SECTION 5. Accounting for receipts and expenditures of the
94 funds described in this act shall be made separately from the
95 accounting of receipts and expenditures of the general fund and
96 any other funds of the county. The records reflecting the

97 receipts and expenditures of the funds prescribed in this act
98 shall be audited annually by an independent certified public
99 accountant, and the accountant shall make a written report of his
100 audit to the board of supervisors. The audit shall be made and
101 completed as soon as practicable after the close of the fiscal
102 year, and expenses of the audit shall be paid from the funds
103 derived pursuant to this act.

104 SECTION 6. The Board of Supervisors of Hinds County shall
105 submit this act, immediately upon approval by the Governor, or
106 upon approval by the Legislature subsequent to a veto, to the
107 Attorney General of the United States or to the United States
108 District Court for the District of Columbia in accordance with the
109 provisions of the Voting Rights Act of 1965, as amended and
110 extended.

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