

By: Representative Holloway

To: Local and Private  
Legislation; Ways and Means

HOUSE BILL NO. 1870

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF  
2 HAZLEHURST TO LEVY A TAX UPON THE GROSS PROCEEDS DERIVED FROM  
3 HOTEL, MOTEL AND BED AND BREAKFAST ROOM RENTALS IN THE CITY AND  
4 UPON THE GROSS PROCEEDS OF RESTAURANTS IN THE CITY FROM THE SALE  
5 OF PREPARED FOOD AND BEVERAGES; TO PROVIDE FOR A PETITION ELECTION  
6 ON THE QUESTION OF IMPOSING THE TAX; TO PROVIDE THAT THE PROCEEDS  
7 OF SUCH TAX SHALL BE USED TO PROMOTE AND MARKET THE ATTRIBUTES AND  
8 THE DEVELOPMENT AND GROWTH OF THE CITY OF HAZLEHURST; AND FOR  
9 RELATED PURPOSES.

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

11 **SECTION 1.** As used in this act, the following terms shall  
12 have the meanings ascribed in this section unless otherwise  
13 clearly indicated by the context in which they are used:

14 (a) "Governing authorities" means the mayor and board  
15 of aldermen of the City of Hazlehurst, Mississippi.

16 (b) "Gross proceeds" means the total revenue generated  
17 by:

18 (i) A restaurant from the sale of prepared or  
19 prepackaged food, alcoholic beverages and nonalcoholic beverages;  
20 and

21 (ii) A hotel, motel or bed and breakfast from room  
22 rentals.

23 (c) "Hotel," "motel" or "bed and breakfast" means any  
24 establishment engaged in the business of furnishing or providing  
25 rooms intended or designed for dwelling, lodging or sleeping  
26 purposes to transient guests and which are known in the trade as  
27 such. The term "hotel," "motel" or "bed and breakfast" does not  
28 include any hospital, convalescent or nursing home or sanitarium,  
29 or any hotel-like facility operated by or in connection with a



30 hospital or medical clinic providing rooms exclusively for  
31 patients and their families.

32 (d) "Prepared food" means food prepared on the premises  
33 of a restaurant.

34 (e) "Restaurant" means all places, including hotel and  
35 motel dining rooms, cafeterias, cafes, lunch stands and grocery  
36 and convenience stands, where prepared food and beverages,  
37 including beer and alcoholic beverages, are sold for consumption,  
38 whether such food is consumed on the premises or not. Such term  
39 does not include any school, hospital, convalescent or nursing  
40 home, or any restaurant like facility operated by or in connection  
41 with a school, hospital, medical clinic, convalescent or nursing  
42 home providing food for students, patients, visitors or their  
43 families.

44 **SECTION 2.** (1) For the purpose of providing funds for the  
45 promotion and marketing of the attributes of the City of  
46 Hazlehurst for tourism development, retail/wholesale manufacturing  
47 and residential growth, including designation as a retirement  
48 community and any other related economic development, tourism  
49 development or community purpose promotions, the governing  
50 authorities may levy and collect a tax, which shall be in addition  
51 to all of the taxes and assessments imposed. The tax shall be  
52 imposed upon the following:

53 (a) A tax upon every person, firm or corporation  
54 operating a hotel, motel or bed and breakfast in the City of  
55 Hazlehurst, at a rate not to exceed one percent (1%) of the gross  
56 proceeds derived from room rentals; and

57 (b) A tax upon every person, firm or corporation  
58 operating a restaurant in the City of Hazlehurst, at a rate not to  
59 exceed one percent (1%) of the gross proceeds of the sales of beer  
60 and alcoholic beverages sold for consumption on the premises and  
61 all prepared foods of such restaurants whether consumed on or off  
62 the premises.



63           (2) Persons, firms, or corporations liable for the tax under  
64 this section shall add the amount of the tax to the sales price of  
65 the rooms and products and, in addition, shall collect, insofar as  
66 is practicable, the amount of the tax due by them from the person  
67 receiving the services or product at the time of payment therefor.

68           (3) Such tax shall be collected by and paid to the State Tax  
69 Commission on a form prescribed by the State Tax Commission in the  
70 same manner that state sales tax are computed, collected and paid;  
71 and the full enforcement provisions and all other provisions of  
72 Chapter 65, Title 27, Mississippi Code of 1972, shall apply as  
73 necessary to the implementation and administration of this act.

74           (4) The proceeds of such tax, less three percent (3%)  
75 thereof which shall be retained by the State Tax Commission to  
76 defray the cost of collection, shall be paid to the governing  
77 authorities on or before the fifteenth day of the month following  
78 the month in which collected.

79           (5) The proceeds of such tax shall not be considered by the  
80 City of Hazlehurst as general fund revenues but shall be dedicated  
81 to and expended solely for the purposes specified in subsection  
82 (1) of this section.

83           **SECTION 3.** Before the tax authorized by this act may be  
84 imposed, the governing authorities shall adopt a resolution  
85 declaring their intention to levy the tax, setting forth the  
86 amount of such tax to be imposed and establishing the date on  
87 which this tax initially shall be levied and collected. Notice of  
88 the proposed tax levy shall be published once each week for at  
89 least three (3) consecutive weeks in a newspaper having a general  
90 circulation in the City of Hazlehurst. The first publication of  
91 the notice shall be made not less than twenty-one (21) days before  
92 the date fixed in the resolution on which the tax initially is to  
93 be levied and collected, and the last publication of the notice  
94 shall be made not more than seven (7) days before that date. If,  
95 within the time of giving notice, twenty percent (20%) or fifteen



96 hundred (1,500) whichever is less, of the qualified electors of  
97 the City of Hazlehurst, file a written petition against the levy  
98 of such tax, then the tax shall not be levied unless authorized by  
99 a majority of the qualified electors of the City of Hazlehurst,  
100 voting at an election to be called and held for that purpose. At  
101 least thirty (30) days before the effective date of the tax  
102 provided in this section, the governing authorities shall furnish  
103 to the State Tax Commission a certified copy of the resolution  
104 evidencing such tax.

105       **SECTION 4.** Accounting for receipts and expenditures of the  
106 funds described in this act shall be made separately from the  
107 accounting of receipts and expenditures of the general fund and  
108 any other funds of the City of Hazlehurst. The records reflecting  
109 the receipts and expenditures of the funds prescribed in this act  
110 shall be audited annually by an independent certified public  
111 accountant, and the accountant shall make a written report of the  
112 audit to the governing authorities. The audit shall be made and  
113 completed as soon as practicable after the close of the fiscal  
114 year, and expenses of the audit shall be paid from the funds  
115 derived pursuant to this act.

116       **SECTION 5.** The governing authorities of the City of  
117 Hazlehurst shall submit this act, immediately upon approval by the  
118 Governor, or upon approval by the Legislature subsequent to a  
119 veto, to the Attorney General of the United States or to the  
120 United States District Court for the District of Hazlehurst in  
121 accordance with the provisions of the Voting Rights Act of 1965,  
122 as amended and extended.

123       **SECTION 6.** This act shall take effect and be in force from  
124 and after the date it is effectuated under Section 5 of the Voting  
125 Rights Act of 1965, as amended and extended.

