

By: Senator(s) Walls

To: Local and Private;
Finance

SENATE BILL NO. 3218

1 AN ACT TO AUTHORIZE THE BOARD OF SUPERVISORS OF WASHINGTON
2 COUNTY, MISSISSIPPI, TO LEVY AN ADDITIONAL SALES TAX ON HOTELS,
3 MOTELS AND RESTAURANTS FOR THE PURPOSE OF PROVIDING FUNDS TO
4 CONSTRUCT A DOWNTOWN CONVENTION CENTER IN THE CITY OF GREENVILLE
5 AND TO DEFRAY THE COSTS OF MAINTAINING THE WASHINGTON COUNTY
6 CONVENTION CENTER; TO ALLOCATE THE REVENUE COLLECTED PURSUANT TO
7 SUCH TAX; AND FOR RELATED PURPOSES.

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

9 SECTION 1. For the purposes of this act:

10 (a) "Hotel" and "motel" mean a place of lodging that at
11 any one time will accommodate transient guests on a daily or
12 weekly basis and that are known to the trade as such. Hotels and
13 motels with ten (10) or less rental units are exempt.

14 (b) "Restaurant" means a place which is regularly
15 engaged in serving cooked or prepared meals to customers for
16 compensation for on- or off-premises consumption, including
17 restaurants and lunch counters located in other retail
18 establishments, but shall not include delicatessen departments of
19 grocery and convenience stores which do not provide seating
20 facilities for customers for on-premises consumption of meals.
21 Restaurants that have gross proceeds of sales or gross income of
22 less than One Hundred Thousand Dollars (\$100,000.00) per calendar
23 year are exempt, and in order to calculate gross proceeds of sales
24 or gross income of restaurants, the sales or income of all of the
25 establishments owned, operated or controlled by the same person,
26 persons or corporation shall be aggregated. Restaurants and
27 establishments selling alcoholic beverages operated by bona fide
28 private clubs organized for some common object other than the sale



29 of goods and alcoholic beverages are exempt from the tax
30 authorized herein.

31 **SECTION 2.** (1) For the purposes of providing funds to build
32 a downtown convention center in the City of Greenville,
33 Mississippi, and to defray the costs of maintaining the Washington
34 County Convention Center, the Board of Supervisors of Washington
35 County, Mississippi, is hereby authorized to levy and assess
36 against and to collect from every person operating a hotel, motel
37 or restaurant or on-premises retailer's permit which are legal
38 under the provisions of Chapter 1, Title 67, Mississippi Code of
39 1972 (hereinafter referred to as "taxable establishments") in
40 Washington County, an assessment in addition to all other taxes
41 now imposed, which shall not exceed a sum equal to one percent
42 (1%) of the gross proceeds of sales of such taxable establishments
43 in Washington County, excluding any charges which are exempt from
44 taxes levied under the Mississippi Sales Tax Law, Chapter 65,
45 Title 27, Mississippi Code of 1972. Persons liable for the tax
46 imposed herein shall add the amount of such tax to the sales price
47 or gross income and, in addition, shall collect, insofar as
48 practicable, the amount of the tax due by him from the purchaser
49 at the time the sales price or gross income is collected. All
50 words, terms and phrases used herein shall have the same meanings
51 ascribed to them in Chapter 65, Title 27, Mississippi Code of
52 1972.

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

59 (3) The proceeds of such tax less three percent (3%) to be
60 retained by the State Tax Commission to defray the costs of



61 collection shall be paid to Washington County on or before the
62 fifteenth day of the month following the month in which collected.

63 (4) The proceeds of the tax shall not be considered by
64 Washington County or any municipality therein as general fund
65 revenues, but shall be dedicated solely for the purpose of
66 carrying out the purposes of this act and shall be allocated as
67 follows:

68 (a) Sixty-six percent (66%) to the City of Greenville
69 for the construction of a downtown convention center; and

70 (b) Thirty-four percent (34%) to defray the cost of
71 maintaining the Washington County Convention Center.

72 **SECTION 3.** The tax authorized in this act shall not be
73 levied until the board of supervisors shall have adopted a
74 resolution favoring the tax levy and fixing the amount of the tax
75 levy and the date on which the tax levy is proposed to commence,
76 which shall be the first day of a month, and the board shall have
77 published notice of its intention to levy the tax. The notice
78 shall be published once each week for at least three (3)
79 consecutive weeks in a newspaper having a general circulation in
80 the county. The first publication of such notice shall be made
81 not less than twenty-one (21) days prior to the date fixed in the
82 resolution on which the board proposes to levy such tax, and the
83 last publication shall be made not more than seven (7) days prior
84 to such date. If, within the time of giving notice, twenty
85 percent (20%) or fifteen hundred (1500), whichever is less, of the
86 qualified electors of the county shall file a written petition
87 against the levy of such tax then such tax shall not be levied
88 unless authorized by a majority of the qualified electors of such
89 county, voting at an election to be called and held for that
90 purpose. Prior to the effective date of the tax levy approved as
91 herein provided, the board of supervisors shall furnish to the
92 Chairman of the State Tax Commission a certified copy of the
93 resolution evidencing such tax levy.



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

106 **SECTION 5.** The Board of Supervisors of Washington County,
107 Mississippi, shall submit this act, immediately upon approval by
108 the Governor, or upon approval by the Legislature subsequent to a
109 veto, to the Attorney General of the United States or to the
110 United States District Court for the District of Columbia in
111 accordance with the provisions of the Voting Rights Act of 1965,
112 as amended and extended.

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

