

By: Representative Moody

To: Local and Private
Legislation; Ways and Means

HOUSE BILL NO. 737

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITIES
2 OF LOUISVILLE AND NOXAPATER, MISSISSIPPI, TO LEVY A TAX UPON THE
3 GROSS PROCEEDS DERIVED FROM HOTEL AND MOTEL ROOM RENTALS IN THE
4 CITY; TO PROVIDE FOR A PETITION ELECTION ON THE QUESTION OF
5 IMPOSING SUCH A TAX; TO PROVIDE THAT THE TAX SHALL BE COLLECTED BY
6 THE STATE TAX COMMISSION AND PAID TO THE CITIES OF LOUISVILLE AND
7 NOXAPATER; TO PROVIDE THAT THE PROCEEDS FROM THE TAX SHALL BE USED
8 FOR THE PURPOSE OF PROMOTING THE ATTRIBUTES OF THE CITY; 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 meanings ascribed in this section unless otherwise clearly
13 indicated by the context in which they are used:

14 (a) "Governing authorities" means the governing
15 authorities of the Cities of Louisville and Noxapater,
16 Mississippi.

17 (b) "Hotel" or "motel" means any establishment engaged
18 in the business of furnishing or providing rooms intended or
19 designed for dwelling, lodging or sleeping purposes to transient
20 guests and which are known in the trade as such. The term "hotel"
21 or "motel" does not include any hospital, convalescent or nursing
22 home or sanitarium, or any hotel-like facility operated by or in
23 connection with a hospital or medical clinic providing rooms
24 exclusively for patients and their families.

25 **SECTION 2.** (1) For the purpose of providing funds to
26 promote the attributes of the Cities of Louisville and Noxapater,
27 Mississippi, as they relate to tourism and economic development,
28 and for promoting tourism and economic development, the governing
29 authorities, in their discretion, are authorized to levy and
30 collect from every person, firm or corporation operating a hotel



31 or motel in the cities a tax, which shall be in addition to all
32 other taxes and assessments imposed, which shall not exceed one
33 percent (1%) of the gross proceeds derived from room rentals of
34 all such hotels or motels in the cities, excluding charges for
35 food, telephone, laundry, beverages and similar charges. The tax
36 shall not be levied upon or collected from gross proceeds derived
37 from room rentals for day meetings where the room does not serve
38 as overnight sleeping accommodations.

39 (2) Persons, firms or corporations liable for the tax
40 imposed under subsection (1) of this section shall add the amount
41 of the tax to the sales price and shall collect, insofar as is
42 practicable, the amount of the tax due by him from the person
43 receiving the services or product at the time of payment therefor.

44 (3) Such tax shall be collected by and paid to the State Tax
45 Commission on a form prescribed by the State Tax Commission in the
46 same manner that state sales taxes are computed, collected and
47 paid; and the full enforcement provisions and all other provisions
48 of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as
49 necessary to the implementation and administration of this act.

50 (4) The proceeds of such tax, less three percent (3%)
51 thereof which shall be retained by the State Tax Commission to
52 defray the costs of collection, shall be paid to the appropriate
53 governing authorities on or before the fifteenth day of the month
54 following the month in which collected.

55 (5) The proceeds of such tax shall not be considered by the
56 Cities of Louisville and Noxapater as general fund revenues but
57 shall be dedicated to and expended solely for the purposes
58 specified in this section.

59 **SECTION 3.** Before the tax authorized by this act may be
60 imposed, the governing authorities shall adopt a resolution
61 declaring their intention to levy the tax, setting forth the
62 amount of such tax and establishing the date on which the tax
63 initially shall be levied and collected. Notice of the proposed



64 tax shall be published once each week for at least three (3)
65 consecutive weeks in a newspaper having a general circulation in
66 the Cities of Louisville and Noxapater. The first publication of
67 the notice shall be made not less than twenty-one (21) days before
68 the date fixed in the resolution on which the tax initially is to
69 be levied and collected, and the last publication of the notice
70 shall be made not more than seven (7) days before such date. If,
71 within the time of giving notice, twenty percent (20%) or fifteen
72 hundred (1500), whichever is less, of the qualified electors of
73 the Cities of Louisville and Noxapater, file a written petition
74 against the levy of such tax, then the tax shall not be levied
75 unless authorized by a majority of the qualified electors of the
76 Cities of Louisville and Noxapater, voting at an election to be
77 called and held for that purpose. At least thirty (30) days
78 before the effective date of the tax, the governing authorities
79 shall furnish to the State Tax Commission a certified copy of the
80 resolution evidencing such tax.

81 **SECTION 4.** Accounting for receipts and expenditures of the
82 funds described in this act shall be made separately from the
83 accounting of receipts and expenditures of the general fund and
84 any other funds of the Cities of Louisville and Noxapater. The
85 records reflecting the receipts and expenditures of the funds
86 prescribed in this act shall be audited annually by an independent
87 certified public accountant, and the accountant shall make a
88 written report of his audit to the governing authorities. The
89 audit shall be made and completed as soon as practicable after the
90 close of the fiscal year, and expenses of such audit shall be paid
91 from the funds derived pursuant to this act.

92 **SECTION 5.** The governing authorities of the Cities of
93 Louisville and Noxapater, Mississippi, shall submit this act,
94 immediately upon approval by the Governor, or upon approval by the
95 Legislature subsequent to a veto, to the Attorney General of the
96 United States or to the United States District Court for the



97 District of Columbia in accordance with the provisions of the
98 Voting Rights Act of 1965, as amended and extended.

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

