

By: Representatives Holland, Turner

To: Local and Private
Legislation; Ways and Means

HOUSE BILL NO. 1794

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 BALDWIN, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS OF
3 HOTELS AND MOTELS DERIVED FROM ROOM RENTALS AND UPON THE GROSS
4 PROCEEDS OF SALES OF RESTAURANTS AND CONVENIENCE STORES; TO
5 PROVIDE THAT THE TAX SHALL BE COLLECTED BY THE STATE TAX
6 COMMISSION; TO PROVIDE THAT THE REVENUE RECEIVED BY THE CITY OF
7 BALDWIN FROM THE TAX SHALL BE EXPENDED TO PROMOTE TOURISM AND TO
8 ENCOURAGE RETIRED PERSONS TO REMAIN IN OR RELOCATE TO THE BALDWIN
9 AREA; TO REQUIRE PUBLIC NOTICE OF THE INTENT OF THE GOVERNING
10 AUTHORITIES TO LEVY THE TAX; TO PROVIDE THAT IF 20% OF THE
11 QUALIFIED ELECTORS OF THE CITY FILE A PETITION AGAINST THE TAX,
12 THEN AN ELECTION SHALL BE CALLED ON THE ISSUE; TO REQUIRE THAT A
13 MAJORITY OF THE QUALIFIED ELECTORS OF THE CITY MUST APPROVE THE
14 TAX LEVY; AND FOR RELATED PURPOSES.

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

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

20 (a) "Governing authorities" mean the governing
21 authorities of the City of Baldwin, Mississippi.

22 (b) "Hotel" or "motel" means any establishment engaged
23 in the business of furnishing or providing six (6) or more rooms
24 intended or designed for dwelling, lodging or sleeping purposes to
25 transient guests. The term "hotel" or "motel" does not include
26 any hospital, convalescent or nursing home or sanitarium, or any
27 hotel-like facility operated by or in connection with a hospital
28 or medical clinic providing rooms exclusively for patients and
29 their families.

30 (c) "Restaurant" or "convenience store" means all
31 places where prepared food and beverages are sold for consumption,
32 whether such food is consumed on the premises or not. The terms
33 "restaurant" and "convenience store" do not include any school,

34 hospital, convalescent or nursing home, or any restaurant-like
35 facility operated by or in connection with a school, hospital,
36 medical clinic, convalescent or nursing home providing food for
37 students, patients, visitors or their families.

38 **SECTION 2.** (1) For the purpose of providing funds to
39 promote tourism and to encourage retired persons to remain in or
40 relocate to the Baldwin area, the governing authorities are
41 authorized, in their discretion, to levy and collect from the
42 following persons a tax, which shall be in addition to all of the
43 taxes and assessments imposed. The tax shall be on the following
44 persons:

45 (a) A tax upon every person, firm or corporation
46 operating a hotel or motel in the City of Baldwin, at a rate not
47 to exceed two percent (2%) of the gross proceeds derived from room
48 rentals; and

49 (b) A tax upon every person, firm or corporation
50 operating a restaurant or convenience store in the City of
51 Baldwin, where prepared food and drink is sold to the public, at a
52 rate not to exceed two percent (2%) of the gross proceeds of the
53 sales of such restaurant or convenience store.

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

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

66 (4) The proceeds of the tax, less than three percent (3%)
67 thereof which shall be retained by the State Tax Commission to
68 defray the cost of collection, shall be paid to the governing
69 authorities, on or before the fifteenth day of the month following
70 the month in which collected.

71 (5) The proceeds of the tax shall not be considered by the
72 City of Baldwin as general fund revenues but shall be dedicated to
73 and expended solely for the purposes specified in this section.

74 **SECTION 3.** Before the tax authorized by this act may be
75 imposed, the governing authorities must adopt a resolution
76 declaring their intention to levy the tax, setting forth the
77 amount of such tax and establishing the date on which this tax
78 initially shall be levied and collected. Notice of the tax shall
79 be published once each week for at least three (3) consecutive
80 weeks in a newspaper having a general circulation in the City of
81 Baldwin, the first publication of which shall be made not less
82 than twenty-one (21) days before the date on which the tax
83 initially is to be levied and collected. If, within the time of
84 giving notice, twenty percent (20%) of the qualified electors of
85 the City of Baldwin file a written petition against the levy of
86 the tax, then the tax shall not be levied unless authorized by a
87 majority of the qualified electors of the City of Baldwin voting
88 at an election to be called and held for that purpose. At least
89 thirty (30) days before the effective date of the tax, the
90 governing authorities shall furnish to the State Tax Commission a
91 certified copy of the resolution evidencing such tax.

92 **SECTION 4.** Accounting for receipts and expenditures of the
93 funds described in this act must be made separately from the
94 accounting of receipts and expenditures of the general fund and
95 any other funds of the City of Baldwin. The records reflecting
96 the receipts and expenditures of the funds prescribed in this act
97 shall be audited annually by an independent certified public
98 accountant, and the accountant shall make a written report of his

99 audit to the governing authorities. The audit shall be made and
100 completed as soon as practicable after the close of the fiscal
101 year, and expenses of such audit shall be paid from the funds
102 derived under this act.

103 **SECTION 5.** The governing authorities are directed to submit
104 this act, immediately upon approval by the Governor, or upon
105 approval by the Legislature subsequent to a veto, to the Attorney
106 General of the United States or to the United States District
107 Court for the District of Columbia in accordance with the
108 provisions of the Voting Rights Act of 1965, as amended and
109 extended.

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