MISSISSIPPI LEGISLATURE REGULAR SESSION 2004

By: Senator(s) Jordan

To: Local and Private; Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3194

AN ACT TO AMEND CHAPTER 813, LOCAL AND PRIVATE LAWS OF 1989, AS LAST AMENDED BY CHAPTER 965, LOCAL AND PRIVATE LAWS OF 1999, TO REVISE THE MEMBERSHIP OF THE GREENWOOD TOURISM COMMISSION; TO INCREASE THE AMOUNT OF THE TAX THAT MAY BE ASSESSED ON HOTEL AND MOTEL ROOM RENTALS; TO EXTEND THE REPEAL DATE ON THE GREENWOOD TOURISM COMMISSION; AND FOR RELATED PURPOSES.

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

SECTION 1. Chapter 813, Local and Private Laws of 1989, as amended by Chapter 947, Local and Private Laws of 1994, as amended by Chapter 965, Local and Private Laws of 1999, is amended as follows:

Section 1. The following terms as used in this act shall have the meanings herein ascribed unless the context otherwise clearly requires:

(a) "Bar" means any bar, tavern or lounge where alcoholic beverages are sold for consumption on the premises;

(b) "Commission" means the Greenwood Tourism Commission;

(c) "City" means the City of Greenwood, Mississippi;

(d) "Governing authorities" means the Mayor and City Council of the City of Greenwood;

(e) "Hotel" or "motel" means any establishment engaged in the business of furnishing or providing rooms intended or designed for lodging or sleeping purposes for transient guests, which establishment consists of ten (10) or more guest rooms and does not encompass any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families;

(f) "Prepared food" means food prepared on the premises of a restaurant;

(g) "Restaurant" means any place, including hotel and motel dining rooms, cafeterias, cafes and lunch stands, where prepared food and drink are sold for consumption either upon or off the premises.

Section 2. There is hereby created the Greenwood Tourism Commission which shall be domiciled in Greenwood, Mississippi. The commission shall function in an advisory capacity as a part of the executive branch of the municipal government of the City of Greenwood and shall study and advise the executive branch in the areas of promoting conventions and tourism. The commission shall also be empowered to carry out such other tasks as the mayor, by executive order, may assign to it from time to time. The city attorney shall be the attorney for the commission.

Section 3. (1) The commission shall consist of the following <u>eleven (11)</u> members:

(a) One (1) member from each of the seven (7) wards in the city nominated by the mayor and subject to the advice and consent of the city council;

(b) A member of the Executive Committee of the Greenwood-Leflore County Chamber of Commerce selected by the executive committee, who shall serve as an ex officio, nonvoting advisory member;

(c) A member of the board of Cottonlandia Education Foundation, to be selected by that board, who shall serve as an ex officio, nonvoting advisory member;

(d) The <u>Chairman</u> or a <u>representative</u> of the Greenwood/Leflore Industrial Board as appointed by its <u>chairman</u>; <u>and</u>

(e) The Director of the Leflore County Civic Center<u>.</u>

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(2) The seven (7) appointed members of the commission who represent the seven (7) city wards * * * shall each serve a one-year term of office beginning and ending on such dates as the city council establishes. The members from the Chamber of Commerce, Industrial Board, Civic Center Board and Cottonlandia Foundation shall serve so long as they hold their respective positions with the organization which they represent.

Section 4. The commission shall have jurisdiction and authority over all matters relating to establishing, promoting and developing conventions and tourism in the city and shall be authorized:

(a) To sue and be sued in its own name;

(b) To own, rent or lease real or personal property;

(c) To contract for the furnishing, equipping and operation of facilities necessary or useful in promoting tourism and conventions;

(d) To receive and expend, subject to the provisions of this act, revenues from any source;

(e) To sell, convey or otherwise dispose of all or any part of its property and assets in accordance with the general laws of the State of Mississippi providing for the sale, conveyance and disposal of property by municipalities;

(f) To appoint and employ individuals and to contract with and enter agreements with agencies to act for and on its behalf in performing the commission's duties, powers and responsibilities; and

(g) To adopt and promulgate such rules and regulations as may be necessary or advantageous to carry out the powers and duties of the commission.

Section 5. (1) For the purpose of providing operating funds for the commission to promote tourism and conventions, the governing authorities are hereby authorized, in their discretion, to levy and assess upon and collect from every person, firm and

corporation operating a hotel or motel in the city, a tax in addition to all other taxes and assessments imposed by the governing authorities in an amount not to exceed one percent (1%) of the gross proceeds from room rentals of such hotels and motels in the city, excluding charges for telephone, laundry and similar service charges. The tax shall not be levied upon or collected from gross proceeds of nontaxable rooms or room rentals for day meetings that do not serve as overnight sleeping accommodations.

(2) The governing authorities also are hereby authorized to impose upon persons doing business within the city other than the tax imposed on hotel and motel rooms under subsection (1) of this section, a tax at a rate of not to exceed one percent (1%) on the gross receipts of restaurants and bars from retail sales of prepared food, beer and/or alcoholic beverages; however, the tax shall not apply to restaurants not selling alcoholic beverages under an on-premises permit issued by the Alcoholic Beverage Control Commission and whose gross proceeds of sales or gross income is less than One Hundred Thousand Dollars ($100,000.00) per calendar year based upon sales or income for the preceding calendar year. For the purposes of calculating gross proceeds of sales or gross income, the sales or income of all establishments owned, operated or controlled by the same person, persons or corporations shall be aggregated.

(3) Before the taxes authorized by this act may be imposed, the governing authorities shall adopt a resolution declaring its intention to levy the taxes and establishing the amount of the tax levy and the date on which the taxes initially shall be levied and collected. The date shall be the first day of a month but not less than forty-five (45) days from the date of adoption of the resolution. Notice of the proposed tax levy shall be published once each week for at least three (3) consecutive weeks in a newspaper having a general circulation in such city. The first publication of such notice shall be made not less than twenty-one

(21) days prior to the date fixed in the resolution on which the governing authorities propose to levy such taxes, and the last publication shall be made not more than seven (7) days prior to such date. If, within the time of giving notice, twenty percent (20%) or fifteen hundred (1500), whichever is less, of the qualified electors of the city file a written petition against the levy of such taxes, then such taxes shall not be levied unless authorized by a majority of the qualified electors of such city voting at an election to be called and held for that purpose. Prior to the effective date of the tax levy approved as herein provided, the governing authorities shall furnish to the Chairman of the State Tax Commission a certified copy of the resolution evidencing such tax levy.

(4) Persons liable for the taxes imposed under this section shall add the amount of tax to the sales price, and in addition thereto shall collect, insofar as practicable, the amount of tax due by them from the person receiving the services or goods at the time of payment therefor.

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

(6) The proceeds of such taxes less three percent (3%) to be retained by the State Tax Commission to defray the costs of collection shall be paid to the Greenwood Tourism Commission on or before the fifteenth day of the month following the month in which collected. The proceeds of the taxes shall be dedicated solely for the purpose of carrying out programs and activities which are designated by the Greenwood Tourism Commission and which are designed to attract conventions and tourists in the city. The

proceeds of the taxes shall not be considered by the governing authorities as general fund revenues but shall be paid directly to the Greenwood Tourism Commission.

(7) Before the expenditure of funds herein prescribed, a budget reflecting the anticipated receipts and expenditures shall be approved by the governing authorities. The first budget of receipts and expenditures shall cover the period beginning with the effective date of the taxes and ending with the end of the city's fiscal year, and, thereafter, the budget shall be on the same fiscal basis as the budget of the city.

(8) The books of the commission shall be audited annually by an independent certified public accountant, and the accountant shall make a written report of his audit to the commission which shall thereupon submit a copy of the report to the governing authorities. The audit shall be made and completed as soon as practicable after the close of the city's fiscal year, and copies of the report of the audit shall be filed with the city clerk's office within fifteen (15) days after receipt thereof by the commission.

Section 6. This act shall be repealed from and after September 30, 2008.

SECTION 2. This act shall take effect and be in force from and after its passage.