

By: Senator(s) Moffatt, Robertson, Lee
(47th)

To: Local and Private;
Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3212

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 PASCAGOULA, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS
3 DERIVED FROM HOTEL, MOTEL AND BED AND BREAKFAST ROOM RENTALS IN
4 THE CITY; TO PROVIDE FOR AN ELECTION ON THE QUESTION OF IMPOSING
5 SUCH A TAX; TO PROVIDE THAT THE TAX SHALL BE COLLECTED BY THE
6 STATE TAX COMMISSION AND PAID TO THE CITY OF PASCAGOULA; TO
7 PROVIDE THAT THE PROCEEDS FROM THE TAX SHALL BE USED FOR THE
8 PURPOSE OF PROMOTING TOURISM, ECONOMIC DEVELOPMENT AND RECREATION;
9 AND FOR 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 City of Pascagoula, Mississippi.

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

25 **SECTION 2.** (1) For the purpose of providing funds to
26 promote tourism, economic development and recreation, the
27 governing authorities, in their discretion, are authorized to levy
28 and collect from every person, firm or corporation operating a
29 hotel, motel or bed and breakfast in the city a tax, which shall
30 be in addition to all other taxes and assessments imposed, which

31 shall not exceed three percent (3%) of the gross proceeds derived
32 from room rentals of all such hotels, motels or bed and breakfasts
33 in the city.

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

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

45 (4) The proceeds of such tax shall be paid to the governing
46 authorities on or before the fifteenth day of the month in which
47 collected.

48 (5) The proceeds of such tax shall not be considered by the
49 City of Pascagoula as general fund revenues but shall be dedicated
50 to and expended solely for the purposes specified in this section.

51 **SECTION 3.** Before any tax authorized under this act may be
52 imposed, the governing authorities shall adopt a resolution
53 declaring their intention to levy the taxes, setting forth the
54 amount of such tax to be imposed, the date upon which such taxes
55 shall become effective and calling for a referendum to be held on
56 the question. The date of the referendum shall be the date of the
57 next municipal general election. Notice of such intention shall
58 be published once each week for at least three (3) consecutive
59 weeks in a newspaper published or having a general circulation in
60 the county, with the first publication of such notice to be made
61 not less than twenty-one (21) days before the date fixed in the
62 resolution for the referendum and the last publication to be made
63 not more than seven (7) days before the referendum. At the

64 referendum, all qualified electors of the city may vote, and the
65 ballots used in such referendum shall have printed thereon a brief
66 statement of the amount and purposes of the proposed tax levy and
67 the words "FOR THE TAX" and, on a separate line, "AGAINST THE
68 TAX", and the voters shall vote by placing a cross (X) or check
69 (✓) opposite their choice on the proposition. When the results of
70 any such referendum shall have been canvassed by the election
71 commission and certified, the city may levy the taxes beginning on
72 the first day of the second month following the referendum, only
73 if at least sixty percent (60%) of the qualified electors who vote
74 in the election vote in favor of the tax. No public funds shall
75 be used for the purpose of promoting the adoption of the
76 referendum and no city employee may promote the referendum during
77 business hours. At least thirty (30) days before the effective
78 date of the taxes, the governing authorities shall furnish to the
79 State Tax Commission a certified copy of the resolution evidencing
80 the taxes.

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 City of Pascagoula. The records reflecting
85 the receipts and expenditures of the funds prescribed in this act
86 shall be audited annually by an independent certified public
87 accountant, and the accountant shall make a written report of his
88 audit to the governing authorities. The audit shall be made and
89 completed as soon as practicable after the close of the fiscal
90 year, and expenses of such audit shall be paid from the funds
91 derived pursuant to this act.

92 **SECTION 5.** The provisions of this act shall be repealed from
93 and after July 1, 2008.

94 **SECTION 6.** The governing authorities shall submit this act,
95 immediately upon approval by the Governor, or upon approval by the
96 Legislature subsequent to a veto, to the Attorney General of the

97 United States or to the United States District Court for the
98 District of Columbia in accordance with the provisions of the
99 Voting Rights Act of 1965, as amended and extended.

100 **SECTION 7.** This act shall take effect and be in force from
101 and after the date it is effectuated under Section 5 of the Voting
102 Rights Act of 1965, as amended and extended.