

**Adopted  
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

**House Bill No. 1844**

**BY: Committee**

**Amend by striking all after the enacting clause and inserting  
in lieu thereof the following:**

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

19               (a) "Governing authorities" means the governing  
20 authorities of the City of Houston, Mississippi.

21               (b) "Hotel" or "motel" means any establishment engaged  
22 in the business of furnishing or providing rooms intended or  
23 designed for dwelling, lodging or sleeping purposes to transient  
24 guests, where such establishment consists of ten (10) or more  
25 guest rooms and does not encompass any hospital, convalescent or  
26 nursing home or sanitarium, or any hotel-like facility operated by  
27 or in connection with a hospital or medical clinic providing rooms  
28 exclusively for patients and their families.

29               (c) "Restaurant" means all places where prepared food  
30 and/or beverages are sold for consumption, whether such food or  
31 beverage is consumed on the premises or not. The term  
32 "restaurant" does not include any school, hospital, convalescent  
33 or nursing home, or any restaurant-like facility operated by or in

connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors or their families.

**SECTION 2.** (1) For the purpose of providing funds for the promotion of tourism and economic and community development in the City of Houston, and for the purpose of retiring the debt and providing for the continued operation and maintenance of the Houston Sportsplex, the governing authorities of the City of Houston, in their discretion, may levy and collect from the following persons a tax, which shall be in addition to all of the taxes and assessments imposed. The tax shall be imposed upon the following persons:

(a) A tax upon every person, firm or corporation operating a hotel or motel in the City of Houston, at a rate not to exceed two percent (2%) of the gross income; and

(b) A tax upon every person, firm or corporation operating a restaurant in the City of Houston, at a rate not to exceed two percent (2%) of the gross income from the sales of all prepared foods and/or beverages sold for consumption on or off the premises of such restaurant.

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

(3) Such tax shall be collected by and paid to the State Tax Commission on a form prescribed by the State Tax Commission in the manner that state sales taxes are computed, collected and paid; and 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.

66           (4) The proceeds of such tax, less 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 of the City of Houston on or before the fifteenth day  
70 of the month in which collected.

71           (5) The proceeds of such tax shall not be considered by the  
72 City of Houston as general fund revenues but shall be dedicated to  
73 and expended solely for the following purposes:

74                 (a) Eighty-eight percent (88%) of the gross proceeds  
75 from the tax shall be allocated and expended to retire the debt  
76 and to provide for the operation and maintenance of the Houston  
77 Sportsplex;

78                 (b) Twelve percent (12%) of the gross proceeds from the  
79 tax shall be allocated and expended for community and economic  
80 development.

81           **SECTION 3.** Before any tax authorized under this act may be  
82 imposed, the governing authorities shall adopt a resolution  
83 declaring its intention to levy the taxes, setting forth the  
84 amount of such tax to be imposed, the date upon which such taxes  
85 shall become effective and calling for a referendum to be held on  
86 the question. The date of the referendum shall be the date of the  
87 next municipal general election. Notice of such intention shall  
88 be published once each week for at least three (3) consecutive  
89 weeks in a newspaper published or having a general circulation in  
90 the county, with the first publication of such notice to be made  
91 not less than twenty-one (21) days before the date fixed in the  
92 resolution for the referendum and the last publication to be made  
93 not more than seven (7) days before the referendum. At the  
94 referendum, all qualified electors of the First Judicial District  
95 of Chickasaw County may vote, and the ballots used in such  
96 referendum shall have printed thereon a brief statement of the  
97 amount and purposes of the proposed tax levy and the words "FOR

THE TAX" and, on a separate line, "AGAINST THE TAX", and the voters shall vote by placing a cross (X) or check (✓) opposite their choice on the proposition. When the results of any such referendum shall have been canvassed by the election commission and certified, the city may levy the taxes beginning on the first day of the second month following the referendum, only if at least sixty percent (60%) of the qualified electors who vote in the election vote in favor of the tax. No public funds shall be used for the purpose of promoting the adoption of the referendum and no city employee may promote the referendum during business hours. At least thirty (30) days before the effective date of the taxes, the governing authorities shall furnish to the State Tax Commission a certified copy of the resolution evidencing the taxes.

**SECTION 4.** Accounting for receipts and expenditures of the funds described in this act must be made separately from the accounting of receipts and expenditures of the general fund and any other funds of the City of Houston. The records reflecting the receipts and expenditures of the funds prescribed in this act shall be audited annually by an independent certified public accountant, and the accountant shall make a written report of his audit to the governing authorities. The audit shall be made and completed as soon as practicable after the close of the fiscal year, and expenses of such audit shall be paid from the funds derived pursuant to this act.

**SECTION 5.** This act shall stand repealed from and after July 1, 2008.

**SECTION 6.** The governing authorities of the City of Houston shall submit this act, immediately upon approval by the Governor, or upon approval by the Legislature subsequent to a veto, to the Attorney General of the United States or to the United States District Court for the District of Columbia in accordance with the

130 provisions of the Voting Rights Act of 1965, as amended and  
131 extended.

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

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1       AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF  
2 HOUSTON, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS SALES OF  
3 HOTELS, MOTELS AND RESTAURANTS IN AN AMOUNT NOT TO EXCEED TWO  
4 PERCENT OF GROSS SALES; TO PROVIDE THAT SUCH TAX SHALL BE  
5 COLLECTED BY THE STATE TAX COMMISSION AND PAID TO THE CITY OF  
6 HOUSTON; TO PROVIDE THAT THE PORTION OF THE PROCEEDS RECEIVED BY  
7 THE CITY OF HOUSTON SHALL BE DEDICATED TO AND EXPENDED SOLELY FOR  
8 THE PURPOSE OF PROVIDING FUNDS FOR THE PROMOTION OF TOURISM AND  
9 ECONOMIC AND COMMUNITY DEVELOPMENT IN THE CITY OF HOUSTON, AND FOR  
10 THE PURPOSE OF RETIRING THE DEBT AND PROVIDING FOR THE CONTINUED  
11 OPERATION AND MAINTENANCE OF THE HOUSTON SPORTSPLEX; TO REQUIRE A  
12 REFERENDUM TO BE HELD ON THE QUESTION OF IMPOSING THE TAX; AND FOR  
13 RELATED PURPOSES.