MISSISSIPPI LEGISLATURE REGULAR SESSION 2007

By: Senator(s) Albritton

To: Local and Private; Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3220

AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF COLUMBIA, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS SALES OF HOTELS, MOTELS AND RESTAURANTS TO PROVIDE FUNDS FOR PROMOTING, ESTABLISHING, DEVELOPING, CONSTRUCTING, FURNISHING, EQUIPPING AND ERECTING IMPROVEMENTS TO THE COLUMBIA EXPOSITION CENTER, FOR PROMOTING, ESTABLISHING, DEVELOPING, CONSTRUCTING, FURNISHING, EQUIPPING AND ERECTING OF A MULTIPURPOSE SPORTS COMPLEX, AND FOR PROMOTING THE ATTRIBUTES OF THE CITY; TO PROVIDE THAT SUCH TAX BE COLLECTED BY THE STATE TAX COMMISSION AND PAID TO THE CITY OF COLUMBIA, MISSISSIPPI; AND FOR RELATED PURPOSES.

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

SECTION 1. As used in this act, the following terms shall have the following meanings unless a different meaning is clearly indicated by the context in which they are used:

(a) "Governing authorities" means the Mayor and Board of Aldermen of the City of Columbia, Mississippi.

(b) "Hotel" or "motel" means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, where such establishment consists of six (6) 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.

(c) "Restaurant" means all places where prepared food and beverages are sold for consumption, whether such food is consumed on the premises or not. "Restaurant" as defined herein does not include any school, hospital, convalescent 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 and their families.

SECTION 2. (1) For the purpose of providing funds for promoting, establishing, developing, constructing, furnishing, equipping and erecting improvements to the Columbia Exposition Center, for promoting, establishing, developing, constructing, furnishing, equipping and erecting a multipurpose sports complex, and for promoting the attributes of the city, the governing authorities, may, in their discretion, levy and collect from the persons hereinafter specified a tax, which shall be in addition to all of the taxes and assessments imposed. The tax shall be imposed on the following persons:

(a) A tax upon every person, firm or corporation operating a hotel or motel in the City of Columbia, Mississippi, at a rate not to exceed two percent (2%) of the gross proceeds of room rentals for each such hotel or motel.

(b) A tax upon every person, firm or corporation operating a restaurant or such other business, where prepared food or drink is sold to the public in the City of Columbia, Mississippi, at a rate not to exceed two percent (2%) of the gross proceeds of the sales of such restaurant or business.

(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 herein and shall collect, insofar as is practicable, the amount of the tax due by them from the person receiving the services or products at the time of payment therefor.

(3) Such tax shall be collected by and paid to the Mississippi 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.

(4) The proceeds of such tax, less three percent (3%) thereof which shall be retained by the State Tax Commission to defray the cost of collection, shall be paid to the City of Columbia, Mississippi, on or before the fifteenth day of the month following the month in which collected.

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

SECTION 3. Before any tax authorized under this act may be imposed, the governing authorities shall adopt a resolution declaring their intention to levy the taxes, setting forth the amount of such tax to be imposed, the date upon which such taxes shall become effective and calling for an election to be held on the question. The date of the election shall be set in the resolution. Notice of such intention shall be published once each week for at least three (3) consecutive weeks in a newspaper published or having a general circulation in the city, with the first publication of such notice to be made not less than twenty-one (21) days before the date fixed in the resolution for the election and the last publication to be made not more than seven (7) days before the election. At the election, all qualified electors of the city may vote, and the ballots used in such election shall have printed thereon a brief statement of the 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 election 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 election, 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 implementation of the tax and no city employee may promote the election 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 herein described shall be made separately from the accounting of receipts and expenditures of the general fund and any other funds of the City of Columbia, Mississippi. The records reflecting the receipts and expenditures of the funds prescribed herein 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 in accordance with this act.

SECTION 5. This act shall stand repealed from and after July 1, 2012.

SECTION 6. The City of Columbia, Mississippi, is directed to 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 provisions of the Voting Rights Act of 1965, as amended and extended.

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

ST: City of Columbia; authorize the governing authorities to levy a tax on hotels, motels and restaurants.