

By: Senator(s) Albritton

To: Local and Private;
Finance

SENATE BILL NO. 3220

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

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

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

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

17 (b) "Hotel" or "motel" means any establishment engaged
18 in the business of furnishing or providing rooms intended or
19 designed for dwelling, lodging or sleeping purposes to transient
20 guests, where such establishment consists of six (6) or more guest
21 rooms and does not encompass any hospital, convalescent or nursing
22 home or sanitarium, or any hotel-like facility operated by or in
23 connection with a hospital or medical clinic providing rooms
24 exclusively for patients and their families.

25 (c) "Restaurant" means all places where prepared food
26 and beverages are sold for consumption, whether such food is
27 consumed on the premises or not. "Restaurant" as defined herein
28 does not include any school, hospital, convalescent or nursing
29 home, or any restaurant-like facility operated by or in connection
30 with a school, hospital, medical clinic, convalescent or nursing

31 home providing food for students, patients, visitors and their
32 families.

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

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

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

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

58 (3) Such tax shall be collected by and paid to the
59 Mississippi State Tax Commission on a form prescribed by the State
60 Tax Commission in the manner that state sales taxes are computed,
61 collected and paid; and full enforcement provisions and all other
62 provisions of Chapter 65, Title 27, Mississippi Code of 1972,

63 shall apply as necessary to the implementation and administration
64 of this act.

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

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

73 **SECTION 3.** Before any tax authorized under this act may be
74 imposed, the governing authorities shall adopt a resolution
75 declaring their intention to levy the taxes, setting forth the
76 amount of such tax to be imposed, the date upon which such taxes
77 shall become effective and calling for an election to be held on
78 the question. The date of the election shall be set in the
79 resolution. Notice of such intention shall be published once each
80 week for at least three (3) consecutive weeks in a newspaper
81 published or having a general circulation in the city, with the
82 first publication of such notice to be made not less than
83 twenty-one (21) days before the date fixed in the resolution for
84 the election and the last publication to be made not more than
85 seven (7) days before the election. At the election, all
86 qualified electors of the city may vote, and the ballots used in
87 such election shall have printed thereon a brief statement of the
88 amount and purposes of the proposed tax levy and the words "FOR
89 THE TAX" and, on a separate line, "AGAINST THE TAX," and the
90 voters shall vote by placing a cross (X) or check (✓) opposite
91 their choice on the proposition. When the results of any such
92 election shall have been canvassed by the election commission and
93 certified, the city may levy the taxes beginning on the first day
94 of the second month following the election, only if at least sixty
95 percent (60%) of the qualified electors who vote in the election

96 vote in favor of the tax. No public funds shall be used for the
97 purpose of promoting the implementation of the tax and no city
98 employee may promote the election during business hours. At least
99 thirty (30) days before the effective date of the taxes, the
100 governing authorities shall furnish to the State Tax Commission a
101 certified copy of the resolution evidencing the taxes.

102 **SECTION 4.** Accounting for receipts and expenditures of the
103 funds herein described shall be made separately from the
104 accounting of receipts and expenditures of the general fund and
105 any other funds of the City of Columbia, Mississippi. The records
106 reflecting the receipts and expenditures of the funds prescribed
107 herein shall be audited annually by an independent certified
108 public accountant, and the accountant shall make a written report
109 of his audit to the governing authorities. The audit shall be
110 made and completed as soon as practicable after the close of the
111 fiscal year, and expenses of such audit shall be paid from the
112 funds derived in accordance with this act.

113 **SECTION 5.** The City of Columbia, Mississippi, is directed to
114 submit this act, immediately upon approval by the Governor, or
115 upon approval by the Legislature subsequent to a veto, to the
116 Attorney General of the United States or to the United States
117 District Court for the District of Columbia in accordance with the
118 provisions of the Voting Rights Act of 1965, as amended and
119 extended.

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