4/6 4:03p

Chapter No. 940
11/SS01/R1261
JN / CC/TB

SENATE BILL NO. 3088

Originated in Senate Secretary

SENATE BILL NO. 3088

AN ACT TO AMEND CHAPTER 879, LOCAL AND PRIVATE LAWS OF 1992, AS LAST AMENDED BY CHAPTER 958, LOCAL AND PRIVATE LAWS OF 2007, TO EXTEND UNTIL JULY 1, 2015, THE REPEAL DATE ON THE PROVISIONS OF LAW WHICH ESTABLISH THE GRENADA TOURISM COMMISSION AND AUTHORIZE THE IMPOSITION OF A TOURIST AND CONVENTION TAX; AND FOR RELATED PURPOSES.

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

SECTION 1. Chapter 879, Local and Private Laws of 1992, as amended by Chapter 975, Local and Private Laws of 1994, as amended by Chapter 905, Local and Private Laws of 1999, as amended by Chapter 943, Local and Private Laws of 2003, as amended by Chapter 958, Local and Private Laws of 2007, is amended as follows:

Section 1. The following words and phrases shall have the meanings ascribed in this section unless the context clearly indicates otherwise:

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

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

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

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

(e) "Hotel" or "motel" means a place of lodging with more than six (6) rental units that at any one time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such;

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

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

Section 2. (1) There is created and established the Grenada Tourism Commission, hereinafter referred to in this act as the "commission." The governing authority of the City of Grenada, Mississippi, shall be authorized to contract with the Grenada Tourism Commission for the administrative responsibilities of a tourism program for the Grenada area. All contracts between the commission and the City of Grenada, Mississippi, shall be signed by the chairman of the commission and shall be on such terms and for such duration as the parties may agree. Minutes of all meetings shall be kept by the commission and submitted to the Grenada City Council.

(2) The commission shall have jurisdiction and authority over all matters relating to establishing, promoting and developing tourism, along with related matters in the Grenada area. The commission shall be authorized to own, lease, rent or otherwise furnish, equip and operate any and all facilities and equipment necessary or useful in the promotion of tourism and to receive and expend, subject to the provisions of this act, revenues from other sources.

(3) The commission shall be composed of seven (7) members as follows:

(a) One (1) member shall be selected by the Grenada Restaurant Association;

(b) One (1) member shall be selected by the Grenada Motel/Hotel Association;

(c) One (1) member shall be selected by the Grenada Hotel/Motel and Restaurant Association;

(d) The Director of the Grenada County Chamber of Commerce or an employee of the Chamber of Commerce appointed by the Director of the Chamber;

(e) One (1) member of the business community at large appointed by the Board of Directors of the Chamber of Commerce; and

(f) Two (2) members at large from the city, one (1) of which must be minority, appointed by the Grenada City Council.

Appointments to the commission shall be for a term of two (2) years.

Any vacancy which may occur shall be filled by the appointing authority for the unexpired term. Each member shall serve until his successor is appointed and qualifies.

The members shall elect from among themselves a chairman. A member of the commission shall not serve as chairman for more than two (2) consecutive two-year terms.

(4) The commission is authorized to employ personnel, to obtain supplies, furnishings and other facilities necessary to administer the affairs and duties of the commission, and to pay for the same out of the revenue provided by this act.

Section 3. (1) For the purpose of providing funds for the commission to promote tourism and conventions, the governing authority of the City of Grenada, Mississippi, is authorized to levy upon every person, firm or corporation operating a hotel or motel in such city, a tax, which may be cited as a "tourism tax," at a rate not to exceed two percent (2%) of the gross proceeds of sales from room rentals of hotels and motels in the city, including charges for telephone, laundry and other similar charges. The tax shall not be levied upon or collected from gross proceeds of nontaxable rooms nor room rentals for day meetings that do not serve as overnight sleeping accommodations. Such tax shall be in addition to all other taxes now imposed.

(2) The governing authorities also are 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/bars 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 a tax authorized by this act may be imposed, the governing authority of the City of Grenada, Mississippi, shall adopt a resolution declaring its intention to levy the tax and establishing the amount of the tax levy and the date on which this tax initially shall be levied and collected. This date shall be the first day of a month but shall not be sooner than the first day of the second month following 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 the 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 authority proposes to levy such tax, and the last publication of such notice 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 tax, then such tax shall not be levied unless authorized by a majority of the qualified electors of such city voting at an election called and held for that purpose.

Prior to the effective date of the tax levy approved as herein provided, the governing authority shall furnish to the Chairman of the Department of Revenue a certified copy of the resolution evidencing such tax levy.

(4) Persons, firms or corporations liable for the tax imposed herein shall add the amount of tax to the sales price of room rentals and, in addition thereto, shall collect, insofar as practicable, the amount of the tax due from the person receiving the services at the time of payment therefor.

(5) Such tax shall be collected by and paid to the Department of Revenue on a form prescribed by the Department of Revenue, 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 tax, less three percent (3%) to be retained by the Department of Revenue to defray the costs of collection, shall be paid to the governing authority of the City of Grenada, Mississippi, on or before the fifteenth day of the month following the month in which collected.

(7) The proceeds of the tax shall not be considered by the city as general fund revenues but shall be dedicated to and used by the commission solely for the purpose of carrying out programs and activities designed to attract tourists to the city and surrounding area. Fifty percent (50%) of the tax or revenue shall be placed in an interest-bearing tourism escrow fund for the construction, financing and operation of a convention center or any other use that may promote tourism as determined by the City of Grenada. The convention center shall be carefully planned and constructed with the cooperation of the governing authorities and the commission.

(8) 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.

Section 4. 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 who shall thereupon submit a copy of such report to the governing authority of the City of Grenada, Mississippi. Such audit shall be made and completed as soon as practicable after the close of the fiscal year, and copies of the report of such audit shall be filed with the city clerk within fifteen (15) days after receipt thereof by the commission.

Section 5. Sections 1 through 4 of this act shall stand repealed on September 30, 2015.

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

PASSED BY THE SENATE
March 26, 2011

PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 28, 2011

SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

GOVERNOR

4/6/11 4:03p