

By: Representative Read

To: Local and Private  
Legislation

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1722

1 AN ACT TO AMEND CHAPTER 951, LOCAL AND PRIVATE LAWS OF 2012,  
2 TO REVISE THE AMOUNT OF TAX THAT MAY BE LEVIED BY THE GOVERNING  
3 AUTHORITIES OF THE CITY OF GAUTIER, MISSISSIPPI, FROM 1% TO 2%  
4 UPON THE GROSS PROCEEDS OF SALES OF RESTAURANTS AND UPON THE GROSS  
5 SALES OF HOTELS AND MOTELS DERIVED FROM ROOM RENTALS FOR THE  
6 PURPOSE OF PROVIDING FUNDS TO IMPROVE PARKS AND RECREATION  
7 FACILITIES FOR THE PURPOSE OF TOURISM AND ECONOMIC DEVELOPMENT  
8 WITHIN THE CITY; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** Chapter 951, Local and Private Laws of 2012, is  
11 amended as follows:

12 Section 1. As used in this act, the following terms have the  
13 meanings ascribed to them in this section unless the context  
14 clearly indicates otherwise:

15 (a) "City" means the City of Gautier, Mississippi.

16 (b) "Governing authorities" means the governing  
17 authorities of the City of Gautier, Mississippi.

18 (c) "Prepared food" means food prepared on the premises  
19 of a restaurant or bar.

20 (d) "Restaurant" means all places within the corporate  
21 limits of the city where prepared food and beverages are sold for



22 consumption, whether such food is consumed on the premises or not.  
23 The term "restaurant" does not include any: school; hospital;  
24 convalescent or nursing home; restaurant-like facility operated by  
25 or in connection with a school, hospital, medical clinic,  
26 convalescent or nursing home providing food for students,  
27 patients, visitors or their families; or convenience store or  
28 service station where the sale of prepared food constitutes less  
29 than fifty percent (50%) of the gross sales.

30 (e) "Hotel" or "motel" means any establishment engaged  
31 in the business of furnishing or providing rooms intended or  
32 designed for dwelling, lodging or sleeping purposes to transient  
33 guests, which establishment consists of six (6) or more guest  
34 rooms, and does not encompass any hospital, convalescent or  
35 nursing home or sanitarium, or any hotel-like facility operated by  
36 or in connection with a hospital or medical clinic providing rooms  
37 exclusively for patients and their families.

38 Section 2. (1) For the purpose of providing funds to  
39 improve parks and recreation facilities for the purpose of tourism  
40 and economic development within the city, the governing  
41 authorities of the City of Gautier, Mississippi, in their  
42 discretion, may levy, assess and collect a tax from persons, firms  
43 or corporation specified in this subsection, a tax, which shall be  
44 in addition to all other taxes or assessments imposed. The tax  
45 shall be imposed as follows:



46 (a) Upon every person, firm or corporation operating a  
47 restaurant or such other business in the City of Gautier,  
48 Mississippi, where prepared food and drink is sold to the public,  
49 at a rate not to exceed \* \* \* two percent (2%) of the gross  
50 proceeds of the sales of such restaurant or business.

51 (b) Upon every person, firm or corporation operating a  
52 hotel or motel in the City of Gautier, Mississippi, at a rate not  
53 to exceed \* \* \* two percent (2%) of the gross proceeds of sales  
54 from room rentals for each such hotel or motel.

55 (2) Persons, firms, corporations or other entities liable  
56 for the tax imposed under subsection (1) of this section shall add  
57 the amount of the tax to the sales price of the food and beverages  
58 and shall collect, insofar as practicable, the amount of the tax  
59 due from the person purchasing the food or beverages at the time  
60 of payment therefor.

61 Section 3. Before any tax authorized under this act may be  
62 imposed, the governing authorities shall adopt a resolution  
63 declaring its intention to levy the tax, setting forth the amount  
64 of the tax to be imposed, the date upon which the tax shall become  
65 effective and calling for an election to be held on the question.  
66 The date of the election shall be fixed in the resolution. Notice  
67 of the intention and the election shall be published once each  
68 week for at least three (3) consecutive weeks in a newspaper  
69 published or having a general circulation in the city, with the  
70 first publication of the notice to be made not less than



71 twenty-one (21) days before the date fixed in the resolution for  
72 the election and the last publication to be made not more than  
73 seven (7) days before the election. At the election, all  
74 qualified electors of the city, may vote, and the ballots used in  
75 the election shall have printed thereon a brief statement of the  
76 amount and purposes of the proposed tax levy and the words "FOR  
77 THE TAX" and, on a separate line, "AGAINST THE TAX" and the voters  
78 shall vote by placing a cross (X) or check (✓) opposite their  
79 choice on the proposition. When the results of the election shall  
80 have been canvassed and certified, the city may levy the tax if  
81 sixty percent (60%) of the qualified electors who vote in the  
82 election vote in favor of the tax. At least thirty (30) days  
83 before the effective date of the tax, the governing authorities  
84 shall furnish to the Department of Revenue a certified copy of the  
85 resolution evidencing the tax.

86 Section 4. (1) On or before the fifteenth day of the month  
87 preceding the date on which the city will begin to levy the tax  
88 authorized under Section 2 of this act, the governing authorities  
89 shall give written notification to the Commissioner of Revenue of  
90 the date on which the tax will become effective.

91 (2) The tax must be collected by and paid to the Department  
92 of Revenue in the same manner that state sales taxes are computed,  
93 collected and paid, and the full enforcement provisions and all  
94 other provisions of Chapter 65, Title 27, Mississippi Code of  
95 1972, will apply as necessary for the implementation of this act.



96 (3) Except for any amount retained by the Department of  
97 Revenue under Section 27-3-58, Mississippi Code of 1972, the  
98 revenue from the special tax collected under this act must be paid  
99 to the city on or before the fifteenth day of the month following  
100 the month in which collected.

101 (4) Accounting for receipts and expenditures of the revenue  
102 from the tax shall be made separately from the accounting of  
103 receipts and expenditures of the general fund and any other funds  
104 of the city. The records reflecting the receipts and expenditures  
105 of the revenue from the tax shall be audited annually by an  
106 independent certified public accountant, and the accountant shall  
107 make a written report of his audit to the governing authorities.  
108 The audit shall be made and completed as soon as practicable after  
109 the close of the fiscal year, and expenses of the audit shall be  
110 paid from the funds derived pursuant to this act.

111 (5) The proceeds of the tax may not be considered by the  
112 city as general fund revenues but must be placed into a special  
113 fund apart from the city general fund and any other funds and  
114 expended by the city strictly for the purposes prescribed under  
115 Section 2 of this act.

116 Section 5. This act shall be repealed from and after July 1,  
117 2016.

118 **SECTION 2.** The governing authorities of the City of Gautier,  
119 Mississippi, are directed to submit this act, immediately upon  
120 approval by the Governor, or upon approval by the Legislature



121 subsequent to a veto, to the Attorney General of the United States  
122 or to the United States District Court for the District of  
123 Columbia in accordance with the provisions of the Voting Rights  
124 Act of 1965, as amended and extended.

125         **SECTION 3.** This act shall take effect and be in force from  
126 and after the date it is effectuated under Section 5 of the Voting  
127 Rights Act of 1965, as amended and extended.

