

By: Representatives Ellis, Chism

To: Local and Private
Legislation

HOUSE BILL NO. 1664
(As Sent to Governor)

1 AN ACT TO AMEND CHAPTER 950, LOCAL AND PRIVATE LAWS OF 1994,
2 AS AMENDED BY CHAPTER 1014, LOCAL AND PRIVATE LAWS OF 2004, TO
3 PROVIDE THAT A PORTION OF THE PROCEEDS OF THE TAX COLLECTED UNDER
4 THIS ACT SHALL BE ALLOCATED TO STARKVILLE PARKS RATHER THAN THE
5 STARKVILLE PARK COMMISSION; TO EXTEND THE REPEAL DATE FROM JUNE
6 30, 2015, TO JUNE 30, 2018, ON THE CITY OF STARKVILLE'S ECONOMIC
7 DEVELOPMENT, TOURISM AND CONVENTION TAX; TO PROVIDE AN INDIRECT
8 REFERENDUM ON THE CONTINUATION OF THE LEVYING OF SUCH TAX; AND FOR
9 RELATED PURPOSES.

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

11 **SECTION 1.** Chapter 950, Local and Private Laws of 1994, as
12 amended by Chapter 1014, Local and Private Laws of 2004, is
13 amended as follows:

14 Section 1. The following words shall have the meaning
15 ascribed to them in this section unless the context clearly
16 indicates otherwise:

17 (a) "City" means the City of Starkville, Mississippi.

18 (b) "EDA" means the Oktibbeha County Economic
19 Development Authority, a governmental subdivision of Oktibbeha
20 County, created by the Board of Supervisors of Oktibbeha County,
21 pursuant to Chapter 880, Local and Private Laws of 1984.



22 (c) "Fiscal year" means the period from October 1 to
23 September 30 of each calendar year.

24 (d) "Governing authority" means the Mayor and Board of
25 Aldermen of the City of Starkville, Mississippi.

26 (e) "Gross income" means the total revenue generated by
27 a restaurant from the sale of prepared or prepackaged food,
28 alcoholic and nonalcoholic beverages.

29 (f) "Restaurant" * * * means and includes all places
30 where prepared food and beverages are sold for consumption either
31 upon or off the premises and is to include catering activities for
32 prepared food sold from within the city limits of Starkville,
33 Mississippi. "Restaurant" as defined herein does not include any
34 school, hospital, convalescence or nursing home or any
35 restaurant-like facility operated by or in connection therewith
36 providing food for students, teachers, patients, visitors and
37 their families.

38 (g) "Starkville parks * * *" * * * means the * * *
39 various public parks and recreational facilities located within
40 the City of Starkville, Mississippi, that are acquired,
41 constructed and/or managed by the governing authorities or a
42 commission designated by the governing authority.

43 (h) "VCC" means the Visitors and Convention Council
44 organized and created by Chapter 854, Local and Private Laws of
45 1986.



46 Section 2. (1) Subject to provisions of subsection (2) of
47 this section, the governing authority is authorized, in its
48 discretion, to provide funds for the purposes provided for in
49 subsection (3) of this section. The tax authorized under this act
50 shall be levied, assessed and collected upon the gross revenue of
51 every restaurant operating within the city and shall be cited as
52 an "Economic Development, Tourism and Convention Tax" and shall be
53 in addition to all other taxes now imposed, as hereinafter
54 provided:

55 (a) The tax shall be a sum equal to two percent (2%) of
56 the gross income of restaurants derived from retail sales of
57 prepared food, alcoholic and nonalcoholic beverages.

58 (b) Persons, firms or corporations liable for the tax
59 imposed shall add the amount of the tax to the sales price of
60 goods described in subsection (1)(a) of this section and, in
61 addition, shall collect, insofar as practicable, the amount of the
62 tax due by them from the person receiving the services or goods at
63 the time of payment therefor.

64 (c) The tax shall be collected and paid to the * * *
65 Department of Revenue, on a form to be prescribed by the * * *
66 Department of Revenue, in the same manner that state sales taxes
67 are computed, collected and paid; and the full enforcement
68 provisions and all other provisions of the Mississippi Sales Tax
69 Law shall apply as necessary to the implementation and
70 administration of this act.



71 (d) The proceeds of the tax, less three percent (3%) to
72 be retained by the * * * Department of Revenue to defray the cost
73 of collections, shall be paid to the City of Starkville, to be
74 placed into a special fund created apart and separate from any
75 other city fund, on or before the fifteenth day of the month
76 following the month during which the tax is collected and shall on
77 or before the fifteenth day of the following month be delivered to
78 the appropriate entities as provided by subsection (3) of this
79 section.

80 (2) Before the tax authorized by this act may be imposed,
81 the governing authority shall adopt a resolution declaring its
82 intention to levy the tax and establish the amount of the tax levy
83 and the date on which the tax initially shall be levied and
84 collected. This date shall be the first day of a particular
85 month. The adoption of this tax shall be made by the governing
86 authority by placing the issue upon a ballot to be determined by
87 the qualified electors in the City of Starkville. The tax shall
88 not be levied unless authorized by the vote of a majority of the
89 qualified electors in the city voting at an election to be called
90 and held for that purpose. Before the effective date of the tax
91 levy approved as herein provided, the governing authority shall
92 furnish to the Chairman of the * * * Department of Revenue a
93 certified copy of the resolution evidencing such a tax levy.

94 (3) Fifteen percent (15%) of the proceeds derived from the
95 tax collected under this act shall be distributed by the governing



96 authority to the EDA to be expended by the EDA solely for economic
97 and community development. Fifteen percent (15%) of the proceeds
98 derived from the tax collected under this act shall be distributed
99 by the governing authority to the VCC to be expended by the VCC
100 solely to enhance community development and for the expansion of
101 tourism and conventions. Ten percent (10%) of the proceeds
102 derived from the tax collected under this act shall be retained
103 and expended by the governing authority solely for economic and
104 community development projects, initiatives or opportunities.
105 Forty percent (40%) of the proceeds derived from the tax collected
106 under this act shall be distributed annually by the governing
107 authority to * * * Starkville parks * * * to be expended for park
108 and recreational improvements. Twenty percent (20%) of the
109 proceeds derived from the tax collected under this act shall be
110 distributed by the governing authority to Mississippi State
111 University to be expended by the university solely to enhance
112 student-related activities.

113 (4) The proceeds of the tax collected under this act shall
114 not be considered by the city as general fund revenues, but shall
115 be dedicated solely for the purpose of carrying out those programs
116 and activities which are designed by the governing authority
117 through concurrent contracts with the VCC, EDA, Starkville * * *
118 parks and Mississippi State University or through interlocal
119 agreements as provided by Section 17-13-17, * * * Mississippi Code
120 of 1972, as amended.



121 Section 3. (1) The governing authority shall retain the
122 right to approve or disapprove budgets of the agencies funded
123 under this act with respect to funds approved and disbursed to the
124 agencies under this act. A detailed budget of funds requested by
125 the VCC, EDA, * * * Starkville parks * * * and Mississippi State
126 University shall be submitted to the city with each year's request
127 for funds.

128 (2) The governing authority shall retain the right to
129 prescribe such requirements with respect to budgeting,
130 establishment of funds, management, record keeping, reporting and
131 audit as may be necessary for the proper protection of funds
132 approved and disbursed under this act.

133 Section 4. The books of the entities receiving funds
134 disbursed under this act shall be audited annually by an
135 independent certified public accountant or the State Auditor. A
136 copy of each audit report shall be filed with the governing
137 authority within fifteen (15) calendar days after receipt thereof
138 by entities. No expenditure, purchase or transaction shall be
139 made or authorized in violation of the laws of the State of
140 Mississippi governing public purchasing, bidding, contracting or
141 auditing.

142 Section 5. (1) The first budget of receipts and
143 expenditures under the provisions of this act shall cover the
144 period beginning with the effective date of the tax and ending



145 with the end of the fiscal year and, thereafter, the budget shall
146 be on the fiscal-year basis provided herein.

147 (2) Accounting for receipts and expenditures of the funds
148 herein described shall be made separately from the accounting of
149 receipts and expenditures of the general fund and other funds of
150 the City of Starkville. The record reflecting receipts and
151 expenditures of the funds described herein shall be audited by an
152 independent certified public accountant and such accountant shall
153 make a written report of the audit to the governing authority.
154 Such audit shall be made and completed as soon as practicable
155 after the close of the fiscal year and the expenses of such audit
156 may be paid from funds derived under Section 2 of this act.

157 * * *

158 Section * * *6. This act shall stand repealed from and after
159 June 30, * * * 2018.

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

