

**CITY OF BILOXI
AGENDA ITEM
FACT SHEET**

Item No.: 4 A

Council Meeting Date: July 2, 2019

ITEM TITLE: ORDINANCE (1st Reading)

INTRODUCED BY: Mayor Andrew "FoFo" Gilich

CONTACT PERSON: E. Michael Leonard, CAO *em*
Peter Abide, City Attorney *Pa*

SUMMARY EXPLANATION:

Ordinance to amend section 12-9-9 and 12-9-10 of the Code of Ordinances pertaining to cruise vessel license tax and gaming device license tax.

Resolution Ordinance _____ Public Hearing _____ Routine Agenda _____

Exhibits for Review

Contract _____ Minutes _____ Plans/Maps _____ Deed _____ Lease _____

Other (Specify): Exhibit "A" - House Bill 1504

Submittal Authorization: Council President _____ Mayor

STAFF RECOMMENDATION: Staff recommends approval

COUNCIL ACTION: Motion By: _____ Second By: _____

Vote:	<u>Councilmember</u>	<u>Yes</u>	<u>No</u>	<u>Other</u>	<u>Councilmember</u>	<u>Yes</u>	<u>No</u>	<u>Other</u>
	Lawrence	___	___	___	Tisdale	___	___	___
	Gines	___	___	___	Glavan	___	___	___
	Newman	___	___	___	Barrett	___	___	___
	Deming	___	___	___				

ACTION TAKEN:

Ordinance No.

ORDINANCE TO AMEND SECTION 12-9-9 AND 12-9-10 OF THE CODE OF
ORDINANCES PERTAINING TO CRUISE VESSEL LICENSE TAX AND GAMING
DEVICE LICENSE TAX

WHEREAS, Pursuant to House Bill 1504, Local and Private Legislation, Regular Session 1992, attached as Exhibit "A", the city has imposed a 3.2 percent fee on gross revenue of each cruise vessel, as defined by Miss. Code Ann., § 27-109-1, since August 1, 1992; and

WHEREAS, Biloxi's Ordinance 12-9-9 which sets forth and codifies the city's cruise vessel license tax, should be amended to mirror the language in House Bill 1504; and

WHEREAS, House Bill 1504 provided for an annual license tax not to exceed \$150.00 upon each gaming device, which has been codified in Biloxi's Code of Ordinances under Section 12-9-10; and

WHEREAS, House Bill 1504 also provides that the city may change this license tax annually upon notice to operators who will be affected and to the State Tax Commission; and

WHEREAS, the annual license tax has remained unchanged for the past 27 years; and

WHEREAS, although the consumer price index over the last 27 years is over 55 percent, which would equate to an annual gaming device fee to \$237.50 per gaming device, the Administration recommends a new annual gaming device fee of \$200.00.

WHEREAS, these amendments are in the best interests of the health, safety and welfare of the residents of Biloxi.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF BILOXI, MISSISSIPPI:

SECTION ONE: That Section 12-9-9 and 12-9-10 of the Code of Ordinances, Biloxi, Mississippi, of 1992, is hereby amended as follows:

Sec. 12-9-9. - Cruise vessel license tax.

(a) Pursuant to House Bill 1504, Local and Private Legislation, Regular Session 1992, there is hereby imposed upon every cruise vessel, as defined by MCA 1972, § 27-109-1, which docks in the city and on which legal gaming is conducted, a fee of 3.2 percent of the gross revenue of such cruise vessel per calendar month. Such fee shall be calculated, collected and enforced by the state tax commission as provided for the calculation, collection and enforcement of the license fee prescribed by MCA 1972, § 75-76-177. The monies received by the city under this section shall be deposited into the general fund of the city, and shall then be expanded expended by the city as follows:

- (1) ~~Public safety 20%~~ Twenty percent (20%) shall be expended for Public Safety;
- (2) ~~Educational purposes 20%~~ Twenty percent (20%) shall be expended for educational purposes;
- (3) ~~To the county for public safety purposes 10%~~ Ten percent (10%) shall be distributed to Harrison County and shall be expended by the county for public safety purposes;
- (4) ~~To the county for educational purposes 10%~~ Ten percent (10%) shall be expended for educational purposes in Harrison County.

(b) This fee shall be effective from and after August 1, 1992.

Sec. 12-9-10. - Cruise vessel gaming device license tax.

There is hereby imposed upon each gaming device, as defined by MCA 1972, § 75-76-5(m), including slot machines, as defined by MCA 1972, § 75-76-5(ff), located on a cruise vessel which docks in the city and on which legal gaming is conducted, an annual license tax of ~~\$150.00~~ 200.00. Such license tax shall be collected and enforced by the state tax commission as provided for other gaming fees under the Mississippi Gaming Control Act. This license tax shall be due and payable before a cruise vessel, as defined by MCA 1972, § 27-109-1, may dock in the city, or may

continue to be docked, as appropriate. The monies received by the city from this license tax shall be deposited into the general fund of the city.

SECTION TWO: This Ordinance shall become effective on October 1, 2019.

By: Representatives Diaz, Frierson, Guice; To: Local and Private
Endris, Short, Fredericks, Garriaga, Peranich Legislation

HOUSE BILL NO. 1504
(As Sent to Governor)

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITY OF THE CITY OF
2 BILOXI TO IMPOSE FEES ON THE GROSS REVENUE OF CRUISE VESSELS WHICH
3 DOCK IN THE MUNICIPALITY; TO AUTHORIZE SUCH GOVERNING AUTHORITY TO
4 IMPOSE A LICENSE TAX UPON GAMING DEVICES LOCATED UPON CRUISE
5 VESSELS WHICH DOCK IN THE MUNICIPALITY; TO PROVIDE THAT DOCKED
6 CRUISE VESSELS ON WHICH GAMING IS CONDUCTED ARE SUBJECT TO
7 MUNICIPAL ZONING REGULATIONS; AND FOR RELATED PURPOSES.

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

9 SECTION 1. The governing authority of the City of Biloxi may
10 require that every cruise vessel, as defined in Section 27-109-1,
11 Mississippi Code of 1972, that docks in the municipality and on
12 which legal gaming is conducted, pay a fee of up to three and
13 two-tenths percent (3.2%) of the gross revenue of such cruise
14 vessel per calendar month.

15 If the amount of fees required to be reported and paid
16 pursuant to this section is later determined to be greater or less
17 than the amount actually reported and paid by the cruise vessel,
18 the Chairman of the State Tax Commission shall:

19 (a) Assess and collect the additional license fees
20 determined to be due, with interest thereon until paid; or

21 (b) Advise the governing authority to refund any
22 overpayment, with interest thereon, to the cruise vessel. Interest
23 must be computed, until paid, at the rate of one percent (1%) per
24 month from the first day of the first month following either the
25 due date of the additional fee or the date of overpayment.

26 The State Tax Commission shall calculate, collect and enforce
27 the collection of such fee as provided for the calculation,
28 collection and enforcement of the license fee under Section
29 75-76-177, Mississippi Code of 1972. Not less than thirty (30)

30 days before the effective date of the fee, the governing authority
31 shall furnish the State Tax Commission a certified copy of the
32 ordinance enacting the fee and establishing the effective date,
33 which shall be the first day of any month. The State Tax
34 Commission shall send the avails of such fee to the municipality
35 on or before the tenth day of each month following the month in
36 which the fee was collected. Such monies shall be deposited into
37 the general fund of the municipality. Such monies shall be
38 expended by the municipality as follows: Twenty percent (20%)
39 shall be expended for public safety; twenty percent (20%) shall be
40 expended for educational purposes; ten percent (10%) shall be
41 distributed to Harrison County and shall be expended by the county
42 for public safety purposes; and ten percent (10%) shall be
43 expended for educational purposes in Harrison County.

44 SECTION 2. The governing authority of the City of Biloxi may
45 impose an annual license tax not to exceed One Hundred Fifty
46 Dollars (\$150.00) upon each gaming device (as defined in Section
47 75-76-5(m), Mississippi Code of 1972), including slot machines (as
48 defined in Section 75-76-5(ff), Mississippi Code of 1972), located
49 on a cruise vessel which docks in the municipality and on which
50 legal gaming is conducted. The State Tax Commission shall
51 collect, and enforce the collection of, this license tax as
52 provided for other gaming fees under the Mississippi Gaming
53 Control Act. This license tax shall be due and payable before a
54 cruise vessel, as defined in Section 27-109-1, Mississippi Code of
55 1972, may dock in the municipality, or may continue to be docked,
56 as appropriate. Before the effective date of the license tax, the
57 governing authority shall furnish the State Tax Commission a
58 certified copy of the ordinance enacting the license tax and
59 establishing the effective date, which shall be the first day of
60 any month. The State Tax Commission shall send the avails of such
61 license tax to the municipality on or before the tenth day



62 following the month in which the license tax was collected. Such
63 monies shall be deposited into the general fund of the
64 municipality.

65 The governing authority may change this license tax annually,
66 but the governing authority must notify the licensed operator of
67 any cruise vessel which will be affected by such change not less
68 than ninety (90) days before the effective date of the change and
69 the State Tax Commission not less than thirty (30) days before the
70 effective date of the change.

71 SECTION 3. Any cruise vessel on which legal gaming is
72 conducted during the time that such vessel is docked in the
73 municipality is subject to zoning regulations imposed by the
74 governing authorities of the City of Biloxi to promote the health
75 and safety of the community, and the Mississippi Gaming Commission
76 may conduct inspections of such vessel to ensure compliance with
77 those regulations.

78 SECTION 4. This act shall take effect and be in force from
79 and after its passage.