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Mayor's Progress Hattiesburg plan gets majority vote

The third time was definitely the charm for Mayor Johnny DuPree's Progress Hattiesburg tax plan.

The plan jumped its first hurdle by gaining a majority vote in favor of the tax increase from City Council on Tuesday night.

The council's 4-1 vote advances the plan to Jackson where it must gain approval from both the state Legislature and Gov. Haley Barbour before it returns to Hattiesburg for citizen approval.

Progress Hattiesburg seeks to add an additional 1 percent tax on groceries, prescription drugs, motor vehicles, restaurants, beverages, hotel rooms and packaged liquor.

Items taxed at less than 7 percent and those taxed at 9 percent also would be exempt.

Tuesday's approval from City Council was a long-awaited victory for DuPree, who presented the tax plan in 2004 and 2006 to council which shot the incentive down because of its grandeur ambitions.

DuPree revamped the plan to only target a list of the city's long-standing infrastructure needs that have an estimated total of \$200 million.

"It's a great way to raise funds, and it doesn't hurt the citizens as much as an ad valorem increase would," DuPree said. "I appreciate the council for doing (this), and I hope legislators will rally behind it."

In previous reports, DuPree said he felt legislators would be more inclined to approve the tax increase if council approved the plan with a unanimous vote.

"I think a 4-1 vote sends a clear message as well," he said. "I would certainly hope our legislators don't let one vote negate four."

Ward 4 Councilman Dave Ware, council's lone dissenting vote, said the country's current state of economic instability was a major factor in his decision to vote against the tax plan.

"I view it as a vote for a tax increase and that was something I just couldn't support," he said. "I feel like the people of Hattiesburg are taxed enough."

Council members said they hoped to discuss ways of possibly lowering ad valorem taxes for citizens Tuesday but were informed by the city's financial advisers that ambition could not be pursued at this time.

DuPree told the council lowering ad valorem taxes may be a possibility once the plan comes up for citizen approval.

The Mississippi Tax Commission estimated Progress Hattiesburg would generate at least \$10 million annually, DuPree said.

Should the measure pass its three remaining hurdles, the city would have five years to raise the \$30 million outlined in the mayor's revamped version of the plan.

If the city does not acquire \$30 million, the tax levy would be lifted and the money "goes away," DuPree said.