



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-19-03

February 28, 2019

NOTICE TO ALL TAXPAYERS SUBJECT TO THE CITY OF COLUMBUS- TOURISM TAX

House Bill 325, as passed during the 2019 Regular Session of the Mississippi Legislature, authorizes a special tax to be levied on certain businesses located in the corporate limits of the City of Columbus, Mississippi. The Bill levies a two percent (2%) tax on the gross proceeds of sales of restaurants from the sale of beer, alcoholic beverages and prepared foods in the City of Columbus. The Mayor and the Board of Alderman adopted, by resolution, their intent to levy said tax on February 5, 2019. This special tax is in addition to all other taxes now imposed. The effective date of the imposition shall be April 1, 2019. This special tax may be cited as the Columbus-Lowndes Community Development Tax.

This special tax is levied upon persons doing business within the municipal boundaries of the city a tax at the rate of two percent (2%) on the gross receipts of restaurants derived from retail sales of prepared food, beer and alcoholic beverages and on the gross proceeds of sales of other businesses derived from retail sales of beer and alcoholic beverages, excluding sales of alcoholic beverages upon premises covered by a package retailer's permit and sales of beer not for consumption on the premises.

For purposes of this levy, the term "restaurant" means any place within the municipal boundaries of the city where prepared food is sold for consumption whether upon the premises or not. "Prepared food" means food prepared on the premises of a restaurant.

IMPORTANT: Beginning April 1, 2019, continue collecting the seven (7%) sales tax using rate code 74. In addition, you should begin collecting the additional two percent (2%) on restaurants. You should report the additional two percent (2%) tax on restaurants Rate Code 92. If applicable, remit the tax online using Taxpayer Access Point (TAP) or on paper form 72-010 Sales and Special Tax Return by May 20, 2019.