



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-19-08

June 4, 2019

NOTICE TO ALL TAXPAYERS SUBJECT TO THE COLUMBIA TOURISM PARKS AND RECREATION TAX FOR THE CITY OF COLUMBIA

Senate Bill 3118, 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 Columbia, Mississippi. The Bill levies a three percent (3%) tax on hotels and motels in the City of Columbia and a three percent (3%) tax on restaurants within the City of Columbia. The Mayor and the Board of Aldermen adopted, by resolution, their intent to levy said tax on May 21, 2019. The effective date of the imposition shall be July 1, 2019. This special tax may be cited as the Columbia Tourism Parks and Recreation Tax.

This special tax is levied at the rate of three percent (3%) on the gross proceeds of room rentals of hotels and motels in the City of Columbia and the rate of three percent (3%) on the gross proceeds of sales of restaurants within the City of Columbia.

For purposes of this levy, the terms "hotel" or "motel" means any establishment engaged in providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests. The term "hotel" or "motel" does not include any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.

For purposes of this levy, the term "restaurant" means any place where prepared food and beverages are sold for consumption, whether such food is sold for consumption on the premises or not. The term "restaurant" does not include any school, hospital, or convalescent or nursing home, or restaurant-like facilities operated by or in connection with a school, hospital, medical clinic, or convalescent or nursing home providing food for students, patients, visitors or their families.

IMPORTANT INFORMATION FOR HOTELS AND RESTAURANTS: Beginning July 1, 2019, continue collecting the seven percent (7%) sales tax using rate code 74. In addition, you should begin collecting the additional three percent (3%) on hotels, motels and restaurants using rate code 94.