



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-23-06

May 1, 2023

NOTICE TO ALL TAXPAYERS OF THE REENACTMENT OF THE WASHINGTON COUNTY HOTEL TAX

House Bill 1790 of the 2023 Regular Session re-enacts the two percent (2%) Washington County Hotel Tax effective April 17, 2023. This special tax is levied at the rate of two percent (2%) on the gross proceeds derived from hotel and motel room rentals in the county, excluding charges for telephone, laundry, and similar services. The tax shall not be levied upon or collected from gross proceeds of nontaxable rooms, room rentals for day meetings that do not serve as overnight sleeping accommodations or room rentals to residential guests of a hotel or motel.

***** Note – The one percent (1%) Washington County Convention and Visitors Tax remains in effect for hotels, motels, restaurants, and establishments holding an “on-premises” permit for the consumption of alcohol liquors located in Washington County. Hotels and motels within Washington County will collect the two percent (2%) Washington County Hotel Tax, the one percent (1%) Washington County Convention and Visitors Tax and the regular seven percent (7%) sales tax for a total of ten percent (10%).**

For purposes of this levy, the term “hotel” or “motel” means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, which establishment consists of five (5) or more guest rooms, and does not encompass 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.

IMPORTANT INFORMATION FOR HOTELS AND MOTELS: You should begin collecting the additional two percent (2%) Washington County Hotel Tax no later than June 1, 2023. The two percent (2%) Washington County Hotel Tax and the one percent (1%) Washington County Convention and Visitors Tax should be reported on your sales tax return as a combined three percent (3%) under the Special Rate Code of 94.

Please feel free to contact this office should you need additional information.