



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-16-12

October 31, 2016

NOTICE TO ALL TAXPAYERS SUBJECT TO THE CITY OF CARTHAGE RECREATION AND TOURISM FACILITIES TAX

Senate Bill 1723, as passed by the 2016 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 Carthage, Mississippi. The Bill levies a tax on the gross proceeds of hotels and motels derived from room rentals and upon the gross proceeds of sales of restaurants located in the corporate limits of the City of Carthage. The Mayor and the Board of Alderman adopted, by resolution, their intent to levy said tax on October 3, 2016. The effective date of the imposition shall be December 1, 2016. This special tax is in addition to all other taxes now imposed. The receipts from this levy will be used to promote tourism and parks and recreation within the City of Carthage.

This special tax is levied at the rate of two percent (2%) on the gross proceeds of hotel and motel room rentals and the gross proceeds of sales of restaurants in the City of Carthage.

For the purpose 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, where the establishment consists of six (6) or more guest rooms. The term "hotel" or "motel" does not include any hospital, convalescent or nursing home or sanitarium, or any hotel-like facilities 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 all places where prepared food and beverages are sold for consumption, whether such food is consumed on the premises or not. The term "restaurant" does not include any school, hospital, convalescent nursing home, or any restaurant-like facility operated by or in connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors or their families.

IMPORTANT: You should begin collecting the two percent (2%) additional tax beginning December 1, 2016. You should report the additional two percent (2%) tax, using Rate Code 92, either online using Taxpayer Access Point (TAP) or on paper form 72-010 Sales and Special Tax Return, if applicable, by January 20, 2017.