



# MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-20-01

March 16, 2020

## NOTICE TO ALL TAXPAYERS SUBJECT TO THE CHARLESTON TOURISM, PARKS AND RECREATION TAX FOR THE CITY OF CHARLESTON

Senate Bill 2854, 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 Charleston, Mississippi. The Bill levies a two percent (2%) tax on the gross proceeds of sales of prepared food and beverages at restaurants within the corporate limits of the City of Charleston. The Mayor and the Board of Commissioners adopted, by resolution, their intent to levy said tax on March 3, 2019. The effective date of the imposition shall be May 1, 2020. This special tax may be cited as the Charleston Tourism, Parks and Recreation Tax.

This special tax is levied at the rate of two percent (2%) on the gross proceeds of sales of restaurants within the City of Charleston.

**\*\*\* Note - Restaurants within the City of Charleston will now collect the two percent (2%) Charleston Tourism, Parks and Recreation Tax in addition to the seven percent (7%) retail rate of tax for a total of nine percent (9%).**

For purposes of this levy, the term "restaurant" means all places within the town 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, 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 RESTAURANTS:** Beginning May 1, 2020, continue collecting the seven percent (7%) sales tax using rate code 74. In addition, you should begin collecting the additional two percent (2%) on restaurants using rate code 92.