Joseph L. Blount, *Chairman and Commissioner of Revenue*

Terry L. Jordan
Associate Commissioner

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MISSISSIPPI
STATE TAX COMMISSION

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June 28, 2005

Notice 05-07

NOTICE TO ALL TAXPAYERS SUBJECT TO THE CITY OF MCCOMB TOURISM TAX

House Bill No. 1757, as passed during the 2005 Regular Session of the Mississippi Legislature, authorizes a special tax to be levied on the gross income of certain businesses located in the City of McComb, Mississippi. The Board of Mayor and Selectmen of the City of McComb adopted, by resolution, their intent to levy said tax. However, the levy is contingent upon a referendum to be held July 19, 2005. If 60% of qualified electors of the City of McComb vote yes for the special tax, the tax will become effective August 1, 2005. This special tax will be in addition to all other taxes now imposed and may be cited as the City of McComb Tourism Tax.

This special tax is levied at the rate of three percent (3%) of the gross proceeds of sales derived from room rentals of hotels and motels within the city. For the purposes of this levy, the term "hotel" and "motel" shall mean any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests which consists of five (5) or more guest rooms. The term "hotel" and "motel" shall not include any hospital, convalescent or nursing home or sanitarium, or hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.

In order to collect and remit these special taxes you should complete the enclosed Registration Application (Form 70-001) and forward said application to the Mississippi State Tax Commission, Brookhaven District Office, P.O. Box 3999, Brookhaven, MS 39603-7999. Due to the time constraints between the date of the referendum and the effective date of the tax, please complete this application as soon as it is received. In the event that the special tax is defeated, you will be contacted by the Tax Commission. **You will NOT be contacted if the measure passes and you will be required to begin collection of the additional 3% effective August 1, 2005.** Form 72-205 (Special Tax Return) should be used to report and remit these special taxes. These forms will be forwarded to you upon receipt of your completed Registration Application. **DO NOT INCLUDE THESE SPECIAL TAXES ON YOUR STATE SALES TAX RETURN. This special levy is effective August 1, 2005.**

MISSISSIPPI TAX COMMISSION

Meg Bartlett

Meg Bartlett, Director
Sales and Use Tax Bureau