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MISSISSIPPI

STATE TAX COMMISSION

Notice 98-17

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NOTICE TO ALL TAXPAYERS SUBJECT TO THE PICAYUNE TOURISM AND ECONOMIC DEVELOPMENT TAX

Senate Bill 3298, as passed in the 1998 Regular Session of the Legislature, authorizes a special tax to be levied on the gross income of certain businesses located in the City of Picayune. The Mayor and City Council adopted, by resolution, their intent to levy said tax. The effective date of imposition shall be September 1, 1998. This special tax is in addition to all other taxes now imposed, and may be cited as the Picayune Tourism and Economic Development Tax.

This special tax is levied at the rate of one percent (2%) of the gross proceeds of room rentals of hotels, motels and bed and breakfasts and one percent (1%) of the gross proceeds of the sales of restaurants. For the purposes of this levy, the following definitions shall apply:

“Hotel”, “Motel”, and “Bed and Breakfast” shall mean a place of lodging engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests and which are known to the trade as such. The term “Hotel”, “Motel”, “Bed and Breakfast” 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.

“Restaurant” means and includes all places where prepared food and beverages are sold for consumption either on premises or off the premises.

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, P. O. Box 1709, Hattiesburg, MS 39403. 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 September 1, 1998.**

Mississippi State Tax Commission

Meg Tucker, Director
Sales & Use Tax Division