

Mississippi - Instructions for 72-001 for Fiscal Year 7/01 through 6/02.

Who must file this report

Every taxpayer with an active account with the State of Mississippi must file this return. Even if your sales are zero for a given period, you must file a zero return for that period.

Due date

Returns must be postmarked or hand delivered by the 20th of the month due.

Filing in the return

All dollar amounts should be rounded to the nearest whole dollar (no pennies). Round down to the next lower dollar any figure under \$.50 and round up to the next higher dollar any figure \$.50 and over. Follow the line by line instructions.

Sending in the return

Do not fold the return. Do not staple, clip, or fasten your check to the return. Place the return and check in the pre-addressed envelope facing the front. If your name or address changes, make the changes on the address area of the return.

Line by line instructions

Line 1: Gross Income or Sales

Enter your gross sales, which includes merchandise withdrawn from inventory for business or personal use.

Line 2: Deductions

Enter your deductions. Please itemize your deductions on the back of the return.

Line 3: Taxable Gross Income

Taxable income equals gross sales minus deductions (line 1 - line 2).

Line 4: Gross Tax

Gross tax equals taxable income times seven percent (line 3 x 7%).

Line 5: Discount

If you file by the 20th, you are entitled to a two percent (2%) discount. This discount is limited to \$50.00 per return, and is not to exceed \$600.00 per year.

Line 6: Balance of Tax Due

Gross tax minus your discount (line 4 - line 5).

Line 7: Tax Credit

Retailers may take credit only for tax paid to wholesalers on purchases of beer or alcoholic beverages.

Line 8: Net Tax Due

Balance of tax minus tax credit (line 6 - line 7).

Line 9: Penalty

A penalty is imposed for failure to file timely reports or pay the total tax. The standard penalty rate is 10%. Your penalty rate increases as follows:

After three late payments, the penalty rate is 15%

After six late payments, the penalty rate is 25%

After nine late payments, the penalty rate is 50%

The State of Mississippi will send you a notice when your penalty rate increases. Enter the appropriate penalty amount in line 9. Questions regarding rate increases should be directed to your local district office.

Line 10: Credit Adjustment

Enter any authorized credit memos. Only credit memos received from the Tax Commission should be entered on this line. Attach a copy of the credit memo with the return.

Line 11: Additional Assessments

Enter any assessments of additional tax. Only assessments received from the Tax Commission should be entered on this line. Attach a copy of the assessment with the return.

Line 12: Total Due

The total amount due. Make check or money order payable to the State Tax Commission. Do not send cash. Place your account number on the check.

Itemized deductions (on the back of the sales tax return)

Line 1: Sales Tax Included.

Line 2: Wholesale Sales - Sales for Resale

Enter sales to a purchaser (dealer) who is in the business of reselling these items and who has a valid Mississippi sales tax number.

Line 3: Sales to Direct Pay Permit Holders

Enter sales to purchasers who have a direct pay permit number issued by the State of Mississippi. The direct pay number must be printed on the invoice if you do not charge tax.

Line 4: Sales to Material Purchase Certificate Holders

Enter sales to a construction contractor who has a valid Material Purchase Certificate (MPC) number to be used in purchasing component materials for a qualified construction contract.

Line 5: Sales Delivered Outside of Mississippi

Enter sales that are delivered by the vendor or shipped by common carrier to a purchaser located outside of the State of Mississippi.

Line 6: Sales of Prescription Drugs and Medicines

Enter sales of prescription drugs and medicines for the treatments of a human being by a person authorized to prescribe the medicines.

Line 7: Sales of Motor Fuels

Enter sales of motor fuels.

Line 8: Sales of Food Purchased with Food Stamps

Enter sales of food for human consumption purchased with food stamps issued by the United States Department of Agriculture, or other federal agency.

Line 9: Other Non-taxable Sales

Enter other sales not listed in lines 1-7 for which you have not charged sales tax. One example is for exempt purchases made with Industrial Revenue Development Bonds.

Line 10: Total

Total of itemized deductions. Transfer this number to line 2 on the front of the return.

Mailing Address:

Mississippi State Tax Commission
Sales Tax Bureau
P.O. Box 23075
Jackson, Mississippi 39225-3075

Please include your account number on your return and whenever you write to us.