



# MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-25-11

July 14, 2025

## RIDGELAND CAPITAL IMPROVEMENTS OF FREEDOM RIDGE PARK TAX

House Bill 1777, passed during the 2025 Regular Session of the Mississippi Legislature, authorizes a special tax to be levied on certain businesses located within the corporate limits of the City of Ridgeland, Mississippi. This special tax is levied at the rate of two percent (2%) on the gross proceeds of room rentals of hotels and motels and at the rate of one percent (1%) on the gross proceeds of restaurants in the City of Ridgeland. The Mayor and the Board of Aldermen adopted, by resolution, their intent to levy said tax on June 17, 2025. The effective date for the imposition shall be October 1, 2025. This special tax may be cited as the Ridgeland Capital Improvements of Freedom Ridge Park Tax.

For purposes of this levy, "hotel" or "motel" means and includes a place of lodging that at any one (1) time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such. Such terms shall not include a place of lodging with ten (10) or fewer rental units.

For purposes of this levy, the term "restaurant" means and includes all places where prepared food is sold and whose annual gross proceeds of sales or gross income for the preceding calendar year equals or exceeds one hundred thousand dollars (\$100,000.00). For the purposes of calculating gross proceeds of sales or gross income, the sales or income of all establishments owned, operated, or controlled by the same person or corporation shall be aggregated.

For purposes of this levy, the term "prepared food" means food prepared on the premises of a restaurant.

This levy is in addition to all other taxes or assessments imposed.

### IMPORTANT INFORMATION FOR HOTELS AND MOTELS:

Beginning October 1, 2025, continue collecting the seven percent (7%) retail sales tax and report this on your sales tax return using rate code 74. You should continue collecting the Ridgeland Tourism and Convention one percent (1%) special tax and report this on your sales tax return using rate code 91. In addition, you should begin collecting the Ridgeland Capital Improvements of Freedom Ridge Park two percent (2%) special tax and report this on your sales tax return using rate code 99.

### IMPORTANT INFORMATION FOR RESTAURANTS:

Beginning October 1, 2025, continue collecting the seven percent (7%) retail sales tax and report this on your sales tax return using rate code 74. You should continue collecting the Ridgeland Tourism and Convention one percent (1%) special tax and report this on your sales tax return using rate code 91. In addition, you should begin collecting the Ridgeland Capital Improvements of Freedom Ridge Park one percent (1%) special tax and report this on your sales tax return using rate code 90.