



October 24, 2018

Notice 72-18-36

**NOTICE TO ALL TAXPAYERS SUBJECT TO THE GRENADA TOURIST
AND CONVENTION TAX FOR THE CITY OF GRENADA**

House Bill 1563, as passed by the 2018 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 Grenada, Mississippi. The Bill levies a one percent (1%) tax on the gross proceeds of hotels and motels in the City of Grenada and a one percent (1%) tax on the gross proceeds of sales of restaurants and bars from the sale of prepared foods, beer, and or alcoholic beverages in the City of Grenada. The Mayor and the Board of Alderman adopted, by resolution, their intent to levy said tax on October 2, 2018. This special tax is in addition to all other taxes now imposed. The effective date of the imposition shall be December 1, 2018. This special tax may be cited as the Grenada Tourist and Convention Tax.

This special tax is levied at the rate of one percent (1%) on the gross proceeds of sales of hotels and motels in the City of Grenada and the rate of one percent (1%) on the gross proceeds of sales of restaurants and bars from the sale of prepared food in the City of Grenada.

***** Note – The Grenada Tourism Tax remains in effect for 2% on hotels and motels and 1% for restaurants in the city limits of Grenada. Hotels and motels within the City of Grenada will collect the two percent (2%) Grenada Tourism Tax and the one percent (1%) for the Grenada Tourist and Convention Tax in addition to the regular seven percent (7%) retail rate of tax for a total of ten percent (10%). Restaurants within the City of Grenada will collect the one percent (1%) Grenada Tourism Tax and the one percent (1%) Grenada Tourist and Convention 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 terms "hotel" or "motel" means a place of lodging with more than six units that at any one time will accommodate transient guests on a daily, weekly or monthly basis and that is known to the trade as such, and which is located within the city limits of Grenada. This tax includes charges for telephone, laundry, or other similar charges. The tax shall not be levied on gross proceeds of nontaxable rooms or room rentals for day meetings that do not serve as overnight sleeping accommodations.

For purposes of this levy, the term "restaurant" means any places, including hotel and motel dining rooms, cafeterias, cafes, lunch stands, grocery and convenience stores where prepared food and drink are sold for consumption either upon or off the premises.

For purposes of calculating gross proceeds of sales or gross income, the sale or income of all establishments owned, operated, or controlled by the same person, persons, or corporations shall be aggregated.

IMPORTANT: Beginning December 1, 2018, you continue collecting the seven (7%) sales tax using rate code 74. In addition, you should begin collecting the additional one percent (1%) on hotels and motels, as well as the additional one percent (1%) on restaurants. You should report the additional one percent (1%) tax on hotels using Rate Code 94, and report the additional one percent (1%) on restaurants using rate code 99. If applicable, remit the tax online using Taxpayer Access Point (TAP) or on paper form 72-010 Sales and Special Tax Return by January 20, 2019.