



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-22-05

June 1, 2022

NOTICE TO ALL LIQUOR RETAILERS AND WHOLESALERS

Senate Bill 2844, as passed during the 2022 Regular Session of the Mississippi Legislature, repeals the sales tax on wholesale purchases of alcoholic beverages within the State of Mississippi. The effective date is July 1, 2022.

All Mississippi licensed permittees purchasing items from the Mississippi Alcoholic Beverage Control Division (ABC) or from another permitted seller of alcoholic beverages will no longer pay sales tax on the cost of the alcoholic beverages at the time of purchase. Credit for sales tax paid on wholesale purchases prior to July 1, 2022 may continue to be taken on your sales tax returns until all such credit has been taken.

Miss. Code Ann. § 67-1-5(a) "Alcoholic beverage" means any alcoholic liquid, including wines of more than five percent (5%) of alcohol by weight, capable of being consumed as a beverage by a human being, but shall not include light wine, light spirit product and beer, as defined in Section 67-3-3, Mississippi Code of 1972, but shall include native wines and native spirits. The words "alcoholic beverage" shall not include ethyl alcohol manufactured or distilled solely for fuel purposes or beer of an alcoholic content of more than eight percent (8%) by weight if the beer is legally manufactured in this state for sale in another state.

Sales tax will not be charged on wholesale sales of alcoholic beverages made on or after July 1, 2022. No credit will be allowed for sales tax paid on wholesale purchases of alcoholic beverages made on or after July 1, 2022. This applies to all ABC permit holders making wholesale sales or purchases of alcoholic beverages. Permittees will be responsible for collecting and remitting the 7% sales tax on all retail sales.

If you have any questions or need further assistance, please contact our office at (601) 923-7015 or email to: sales@dor.ms.gov.

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601-923-7015