



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-25-05

May 30, 2025

Notice Regarding Kratom Products

Effective July 1, 2025, kratom products will be subject to an excise tax rate of twenty-five percent (25%) of the manufacturer's list price.

Manufacturers and wholesalers shall report and pay the excise tax on kratom products on the Tobacco Excise Tax return due on the 20th day of the month following the month the kratom product is sold or distributed. The excise tax paid by a manufacturer or wholesaler shall be added to the selling price of the kratom product to be recovered by the ultimate consumer or user.

Retailers and consumers receiving kratom products for which the excise tax has not been paid by a manufacturer or wholesaler are required to report and pay the excise tax on the kratom products within 48 hours of receipt of the kratom products.

Kratom products are defined as food or dietary supplements that consist of or contain kratom leaf or kratom leaf extract.

Kratom leaf is defined as the leaf of the kratom plant in fresh or dehydrated form and subjected to no post-harvesting processing other than drying or size reduction and cleaning or sterilization through the application of heat, steam, pressurization, irradiation, or other standard treatments applied to food ingredients.

Kratom leaf extract is defined as the material extracted from kratom leaves via application of a solvent consisting of water, ethanol or food grade dioxide, or any other solvent allowed by federal or state regulation to be used in the manufacturing of a food ingredient.

This is in accordance with House Bill 1896 of the 2025 Regular Legislative Session.

If you have any questions, please contact the Sales Tax Department at 601-923-7015.