



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-25-12

July 14, 2025

Updated Notice Regarding Kratom Products

Effective July 1, 2025, kratom products are subject to an excise tax rate of twenty-five percent (25%) of the manufacturer's list price. "Manufacturer's list price" means the full sales price at which tobacco is sold or offered for sale by a manufacturer to the wholesaler or distributor in this state without any deduction for freight, trade discount, cash discounts, special discounts or deals, cash rebates, or any other reduction from the regular selling 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 products are further defined to not contain any synthesized kratom alkaloids, other kratom constituents, or synthesized metabolites of any kratom constituent in which the level of 7-hydroxymitragynine, on a percent weight basis, is not greater than one percent (1%) of the amount of total kratom alkaloids, as confirmed with a high-performance liquid chromatography testing method and not to exceed one half (0.5) milligram per container. "Synthesized" refers to substances produced using directed synthetic or biosynthetic chemistry, as opposed to traditional food preparation techniques such as heating or extracting.

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.

Kratom products may not be sold or distributed (including samples) to consumers under the age of twenty-one (21). Kratom products offered for sale must be placed behind the retailer's counter. Kratom products containing a level of 7-hydroxymitragynine in the alkaloid fraction that is greater than one percent (1%) of the alkaloid composition and exceed one-half (0.5) milligram per container of the product are prohibited from being sold or distributed in Mississippi. Kratom products without a label that clearly identifies the identity, address, and telephone number of the manufacturer of the kratom product are prohibited from being sold or distributed in Mississippi.

This is in accordance with House Bill 1896 and House Bill 1077 of the 2025 Regular Legislative Session.

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