



# MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-17-32

August 2, 2018

## NOTICE TO ALL TAXPAYERS SUBJECT TO THE CITY OF PEARL TOURISM, RECREATION, PARKS TAX

House Bill 1667, 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 Pearl, Mississippi. The Bill is levied at the rate of three percent (3%) on the gross proceeds of hotels and motels in the City of Pearl. This special tax also levies a tax on the gross proceeds of restaurants from the sale of prepared foods in the City of Pearl. The Mayor and the Board of Alderman adopted, by resolution, their intent to levy said tax on June 5, 2018. The effective date of the imposition shall be September 1, 2018. This special tax is in addition to all other taxes now imposed. The receipts from this levy will be used to promote Pearl Tourism, Recreation and Parks.

This special tax is levied at the rate of three percent (3%) on the gross proceeds of sales of hotels and motels in the City of Pearl and the rate of one percent (1%) on the gross proceeds of sales of restaurants in the City of Pearl.

For purposes of this levy, the terms “hotel” or “motel” means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes for transient guests, which establishment consists of five (5) or more guest rooms. The term “hotel” or “motel” does not include any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.

For purposes of this levy, the term “restaurant” means all places, including hotel and motel dining rooms, cafeterias, cafes, lunch stands, grocery and convenience stores where prepared food and beverages are sold for consumption on the premises or not. The term “restaurant” does not include any school, hospital, convalescent nursing home, or any restaurant-like facility operated by or in connection with a school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors or their families.

**\*\*\* Note – The 2% West Pearl Restaurant Tax remains in effect for restaurants within the West Pearl Restaurant District.**

**IMPORTANT:** You should begin collecting the three percent (3%) additional hotel/motel tax and one percent (1%) restaurant tax beginning September 1, 2018. You should report the additional three percent (3%) hotel/motel tax using Rate Code 94, and the one percent (1%) restaurant tax with rate code 90 either online using Taxpayer Access Point (TAP) or on paper form 72-010 Sales and Special Tax Return, if applicable, by October 20, 2018.