



# MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-19-05

May 1, 2019

## NOTICE TO ALL TAXPAYERS SUBJECT TO THE PASCAGOULA TOURISM AND ECONOMIC DEVELOPMENT TAX FOR THE CITY OF PASCAGOULA

Senate Bill 3074, as passed during the 2019 Regular Session of the Mississippi Legislature, extends the repeal date of the City of Pascagoula Tourism and Economic Development Tax to be levied on certain businesses in the corporate limits of the City of Pascagoula. The Bill levies a three percent (3%) tax on hotels, motels, and bed-and-breakfast locations the City of Pascagoula on the gross proceeds from overnight room rentals, exclusive of charges for food, telephone, laundry, beverages and similar charges. The Mayor and the Board of Alderman adopted, by resolution, their intent to levy said tax on April 18, 2019. This special tax is in addition to all other taxes now imposed. The effective date of the imposition shall be June 1, 2019.

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 Pascagoula.

**\*\*\* Note – The Jackson County Hotel and Motel Tax remains in effect for two percent (2%) on hotels and motels. Hotels and motels within the City of Pascagoula will collect the three percent (3%) Pascagoula Tourism and Economic Development Tax and the two percent (2%) for the Jackson County Hotel and Motel Tax in addition to the regular seven percent (7%) retail rate of tax for a total of twelve percent (12%).**

For purposes of this levy, the terms “hotel”, “motel”, or “bed-and-breakfast” means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging, or sleeping purposes to transient guests and which are known in the trade as such.

The term “hotel”, “motel”, and “bed-and-breakfast” 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.

**IMPORTANT INFORMATION FOR HOTELS:** Beginning June 1, 2019, continue collecting the seven percent (7%) sales tax using rate code 74. Continue collecting the two percent (2%) on hotels and motels using rate code 99. In addition, you should begin collecting the additional three percent (3%) on hotels and motels using rate code 94.