



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-24-07

September 30, 2024

LUCEDALE RESTAURANT TAX

Senate Bill 3143, as passed during the 2023 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 Lucedale, Mississippi. This special tax is levied at the rate of one percent (1%) on the gross proceeds of restaurants within the City of Lucedale. The Mayor and the Board of Aldermen adopted, by resolution, their intent to levy said tax on September 24, 2024. The effective date of the imposition shall be November 1, 2024. This special tax may be cited as the Lucedale Restaurant Tax.

For purposes of this levy, the term "prepared food" means food prepared or beverages prepared by a restaurant in the City of Lucedale that is ready to be consumed without any further food preparation, alteration or repackaging on site; and prepared, provided, sold, or served by a restaurant using any cooking, packaging, or food preparation technique. Prepared food may be eaten either on or off a restaurant's premises.

For purposes of this levy, the term "restaurant" means all places within the corporate limits of the city where prepared food and beverages are sold for consumption, whether such food is consumed on the premises or not. Such places include food trucks, lunch stands, cafes, cafeterias, delicatessens, drive-in restaurants, carry-out restaurants, caterers, concession stands, convenience stores, grocery stores, dine-in restaurants and other similar businesses. The term "restaurant" does not include any school, hospital, medical clinic, convalescent or nursing home providing food for students, patients, visitors, and their families, nor does it include any restaurant with an annual gross revenue of less than twenty-five thousand dollars (\$25,000.00).

IMPORTANT INFORMATION FOR RESTAURANTS:

Beginning November 1, 2024, continue collecting the seven percent (7%) retail sales tax and report this on your sales tax return using rate code 74. In addition, you should begin collecting the additional one percent (1%) special tax and report this on your sales tax return using rate code 90. Hotels or motels with restaurants should remit the three percent (3%) special tax on the income received from hotel and motel room rentals using rate code 94 and should remit the one percent (1%) special tax on the sales from the restaurant using rate code 90.