



# MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-24-08

September 30, 2024

## LUCEDALE HOTEL AND MOTEL TAX

House Bill 1744, as passed during the 2024 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 three percent (3%) on the gross sales of hotels and motels derived from room rentals 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 Hotel and Motel Tax.

For purposes of this levy, "hotel" or "motel" means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, where the establishment consists of six (6) 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.

### **IMPORTANT INFORMATION FOR HOTELS AND MOTELS:**

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 three percent (3%) special tax and report this on your sales tax return using rate code 94. Hotels or motels with restaurants should remit the one percent (1%) special tax on the sales from the restaurant using rate code 90 and should remit the three percent (3%) special tax on the income received from hotel and motel room rentals using rate code 94.