



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-25-02

January 6, 2025

WALNUT PARKS AND RECREATION TAX

Senate Bill 3216, 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 Walnut, Mississippi. This special tax is levied at the rate of three percent (3%) on the gross proceeds of room rentals of hotels and motels, and the gross proceeds of sales of restaurants within the City of Walnut. The Mayor and the Board of Aldermen adopted, by resolution, their intent to levy said tax on November 18, 2024. The effective date of the imposition shall be February 1, 2025. This special tax may be cited as the Walnut Parks and Recreation Tax.

For purposes of this levy, the term "hotel" or "motel" means any establishment within the town engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging, or sleeping purposes to transient guests.

For purposes of this levy, the term "prepared food" means food prepared on the premises of a restaurant.

For purposes of this levy, the term "restaurant" means all places within the town where prepared food and beverages are sold for consumption, including beer, alcoholic beverages, and nonalcoholic beverages, whether such prepared food and beverages are sold for consumption on the premises or not. The term "restaurant" does not include any school, hospital, medical clinic, convalescent or nursing home, or any other restaurant-like facility operated by or in connection with a school, hospital, medical clinic, or convalescent or nursing home providing food for students, patients, visitors, or their families.

IMPORTANT INFORMATION FOR HOTELS, MOTELS, AND RESTAURANTS:

Beginning February 1, 2025, 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.