

Mississippi sales tax guide

Standard rate

The standard sales tax rate in Mississippi for 2024 is 7-8%.

Reduced rate

There is no reduced rate specified.

Sales of tax-free products and services

The following items and services are exempt from sales tax in Mississippi:

Prescription drugs;

Petrol;

Food stamps;

Extensive Sales (but beer and alcohol have a sales tax).

Who is obliged to register sales tax in Mississippi

When you sell in Mississippi and qualify as a dealer under the definition and meet the threshold, you need to be [registered to collect and pay sales tax](#) in Mississippi.

Threshold

Starting July 1, 2018, remote sellers are only required to [register and collect sales tax](#) in Mississippi if, in the previous or current calendar year, they have more than \$250,000 in sales in the state.

[Merchant thresholds by state](#)

[Marketplace thresholds by state](#)

The special rules are applicable to the SAAS business.

[Software as Service Tax Thresholds by state.](#)

Marketplace

If the marketplace seller is registered in-state for their sales, and the marketplace facilitator collects and pays the sales tax itself, the marketplace seller is exempt from sales tax.

But marketplace sellers must receive the statement from a facilitator.

Provide a copy of your Mississippi [registration to collect sales and use tax](#) to the marketplace provider. Enter into an agreement with the marketplace provider that you will [collect and pay sales taxes](#) on the sales you make through the marketplace.

Registration procedure

You can be registered online on the Mississippi Department of Revenue website.

Sales tax payment and filing date

Depending on your tax liability, determine your filing frequency – either annual, monthly, or quarterly:

Annual – \$0 to \$50.00;

Quarterly – \$50.01 to \$300.00;

Monthly – \$300.01 and up.

Returns are always due on the 20th of the month following the reporting period. If the filing due date falls on a weekend or holiday, due the next business day.

Penalty and interest

Late Filing – 10% of the tax due;

Late Payment – 10% of the tax due for the first-time offense;

15% of the tax due for the second-time offense;

25% of the tax due for the third;

50% of the tax due further.

Discount

As long as the sales tax is paid on time, a discount of 2% of tax due, not to exceed \$50 is allowed.



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