MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau Notice 72-26-07 April 23, 2026

Tupelo Water Procurement Facility Tax

Effective May 1, 2026, retail sales of groceries subject to the reduced five percent (5%) rate of sales tax that occur within the City of Tupelo are also subject to the Tupelo Water Procurement Facility Tax.

House Bill 4112 of the 2026 Regular Session amended the one quarter of one percent (.25%) Tupelo Water Procurement Facility Tax to include groceries taxed at the five percent (5%) rate of sales.

Beginning May 1, 2026, the Tupelo Water Procurement Facility Tax is due on all retail sales and services in Tupelo which are subject to the general seven percent (7%) rate of state sales tax, as well as all retail sales of food and drink for human consumption taxed at the five percent (5%) rate of state sales tax.

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