



Mississippi Municipal Revenue Partnership

FAIRER ALLOCATIONS. RELIABLE LOCAL SERVICES.
ACCOUNTABLE RESULTS.

Resolution Supporting an Updated Municipal Share of Mississippi's Existing Sales Tax

Version 2.1 · Prepared by the Mississippi Municipal Revenue Partnership

A note to the clerk: adapt this model to fit your municipality — names, titles, and local references — so long as the substance remains the same.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY/TOWN OF _____, MISSISSIPPI, SUPPORTING AN UPDATED MUNICIPAL SHARE OF MISSISSIPPI'S EXISTING SALES TAX.

WHEREAS, municipalities provide public safety, streets, drainage, utilities, code enforcement, parks, permitting, and other services essential to community life and commerce; and

WHEREAS, the ordinary municipal sales-tax distribution has remained 18.5 percent since 1993 and returns 1.295 cents from a covered 7-cent sales dollar; and

WHEREAS, that limited share places Mississippi cities at a structural disadvantage to peer cities in neighboring states, whose cities generally have direct access to local sales-tax revenue, and it limits the City's ability to provide the services our citizens expect; and

WHEREAS, House Bill 898 created a State review of allocation practices, discrepancies, technology, oversight, and statutory improvements; and

WHEREAS, a six-year schedule reaching a 30 percent ordinary city share of the existing 7-cent rate and a paired 42 percent share of the existing 5-cent grocery rate would increase the city amount from 1.295 cents to 2.100 cents while taxpayers pay not one penny more; and

WHEREAS, every municipality would keep its existing statutory percentage, receive each scheduled increase in that share on covered sales, and gain broader lawful use of the municipal use-tax revenue it already receives;

NOW, THEREFORE, BE IT RESOLVED by the governing authority of the City/Town of _____, Mississippi, as follows:

1. The preceding recitals are adopted as the findings of the governing authority.
2. The governing authority supports a statewide allocation-verification process covering business addresses, municipal location coding, the municipality to which each sale is assigned, corrections, reconciliations, municipal inquiries, and monthly distribution statements.
3. The governing authority supports a six-year schedule increasing the ordinary municipal share from 18.5 percent to 30.0 percent, equal to an increase from 1.295 cents to 2.100 cents for the city. The taxpayer rate remains unchanged, and the list of taxable purchases does not change.
4. The governing authority supports expanded lawful uses of municipal use-tax distributions for public safety, infrastructure, vehicles, equipment, communications, technology, related debt, and limited documented non-personnel costs of eligible assets. Salaries, wages, payroll costs, and employee benefits would remain ineligible.
5. The governing authority respectfully asks the Mississippi Legislature to enact this plan in the 2027 Regular Session.
6. This resolution is an expression of official support only. It does not encumber any funds; it creates no financial obligation, debt, or liability of any kind; it binds the City/Town to no future action; and it gives the Mississippi Municipal Revenue Partnership no authority to act for or on behalf of the City/Town.
7. The Clerk shall transmit certified copies of this resolution to the House Bill 898 Sales Tax Diversion Study Committee, the Mississippi Municipal League, the municipality's legislative delegation, the Lieutenant Governor, the Speaker of the House, and the Governor, and shall email a certified copy as a PDF to resolutions@msrevenuepartnership.org so the municipality is counted in the statewide record of support.

ADOPTED this ____ day of _____, 20____.

_____ Mayor / Presiding officer

ATTEST: _____ Clerk

Mississippi Municipal Revenue Partnership

A partnership of Mississippi cities and towns

Contact the Partnership