

Miss. Admin. Code

Title 35.IV.01

Chapter 02 – Damages for Delinquent Payment of Tax

- 100 The Sales Tax Law requires that monthly sales tax returns shall be filed by the twentieth of the month following the period covered, and quarterly sales tax returns shall be filed by the twentieth of the month following the end of the quarter. Persistent, willful or recurring failure to file such returns on or before the due date subjects the taxpayer to damages and interest on the amount due.
- 101 Any taxpayer, to whom a sixty (60) day delinquent notice has been directed or who makes a payment after the due date, will be assessed a ten percent (10%) penalty and be subject to interest when the tax is paid. This penalty is applicable in those instances where the failure to pay is due to the taxpayers' negligence and the failure to comply is determined to be without the intent to defraud. The interest rate assessed on or after January 1, 2015, is:
1. Nine-tenths of one percent (9/10 of 1%) per month for taxes assessed on or after January 1, 2015, and before January 1, 2016;
 2. Eight-tenths of one percent (8/10 of 1%) per month for taxes assessed on or after January 1, 2016, and before January 1, 2017;
 3. Seven-tenths of one percent (7/10 of 1%) per month for taxes assessed on or after January 1, 2017, and before January 1, 2018;
 4. Six-tenths of one percent (6/10 of 1%) per month for taxes assessed on or after January 1, 2018, and before January 1, 2019; and
 5. One-half of one percent (1/2 of 1%) per month for taxes assessed on or after January 1, 2019.
- 102 In the instance a taxpayer makes a late payment, and it is determined by the Commissioner that there is intentional disregard of the law or done with intent to defraud, there will be a fifty percent (50%) penalty assessed. This penalty will be used when the taxpayer continually pays late, when an underpayment of tax by one hundred percent (100%) or more is discovered during an audit or when an audit of taxpayer records reveals an attempt to disguise or hide taxable transactions. This penalty will not be assessed if the taxpayer can prove reasonable cause for failure to comply.
- 103 A penalty of three hundred percent (300%) of the tax due will be assessed if it is proved by preponderance of the evidence, from the taxpayer's records that tax was collected and then knowingly and intentionally not remitted. The taxpayer cannot be presumed to have collected the tax. The penalty can be assessed in addition to the ten percent (10%) or the fifty percent (50%) late pay penalty.
- 104 The only exceptions to this procedure will be in those cases where the taxpayer makes a bond, or when the taxpayer requests, and is granted an extension of time in which to file, as provided by Section 27-65-33. When the taxpayer makes bond, returns may be filed quarterly; and if the extension is granted, returns may be filed before expiration of the extension without penalty.

105 The taxpayer discount will not be allowed on returns which are filed after the twentieth of the month following the period covered or if the return is not fully paid. The granting of extensions of time in which to file returns does not extend the period for claiming the discount. In the instance a taxpayer files and pays a timely return claiming a discount, and then subsequently files an amended return owing more tax, the discount claimed shall be added back in the amended calculation.

106 (Reserved)

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