

Congrats on starting your new business!

You will find as you move forward in the process that there are many regulations placed on business today. Some of these regulations are for taxation purposes. Some are to protect the health and welfare of others. Some are to protect the civil or property rights of others.

While you may be opposed to these regulations and taxes, you are required to comply with them. Most of them come with fines or penalties for failing to comply on time. So, it's important to be proactive instead of reactive.

There is no single repository that lists all government regulations, so you will have to feel your way through some of this. I am here to give you a heads up on all the regulations that are governed by the Town of Smithville and make you aware of some of the regulations governed by other agencies.

What do you need first?

- Federal Tax ID or SSN (IRS)
- State Sales Tax Number if you are selling goods (State Tax Commission)
- Business Location – Zoning (Smithville Building Inspector at Town Hall)
- Building Permits – Construction/Renovation (Smithville Building Inspector at Town Hall)
- Sign Permits for all signs (Smithville Building Inspector at Town Hall)
- Accountant – to help you with tax reporting and payroll

What you may need:

- State Tobacco Permit (State Tax Commission)
- Health Inspection for food service (Monroe County Health Dept.)
- ServSafe Certificate (www.servsafe.com)

Privilege License – All individuals and companies who engage in business of any kind within the corporate limits of the Town of Smithville are required by Mississippi State law to have a privilege license.

- Based on
- # of Full-Time Employees, **OR**
 - Inventory for Retailers

Exceptions Home Crafts, Physical Labor, Fairs, business open less than 6 months, see list

- Additional Taxes
- Taxis -\$15 /car
 - Pawnbroker - \$250.00
 - Pawnbroker selling Deadly Weapons -\$250.00 additional
 - Dealers in Deadly Weapons - \$100.00
 - Optometrists prescribing pharmaceuticals - \$25.00/Dr. additional
 - Town Beer Permit - \$30.00
 - Tobacco Permit -\$50.00

Required Information

- Business Name
- Owner/In Care of
- Address (mailing & physical)
- MS Sales Tax Number with Smithville Diversion Code
- Tax ID # (SSN or EIN)
- Telephone #
- Business Type
- Health inspection Permits if applicable

Where? - Town Hall

Transient vendors – Business open less than 6 consecutive months

\$75.00 for 90 days then \$25 for next 90 days

Exceptions - See list below

- Requirements
- \$2,000 Surety Bond
 - Registered Agent (county resident)
 - MS Sales Tax # with Smithville Diversion Code
 - Location
 - Written permission from property owner

Where? - Town Hall

Food Trucks – Any mobile food/drink vending

\$75.00 - Annually

- Requirements
- Privilege License Application (see Privilege License section)
 - Current food permit from the MS Dept of Health
 - \$50,000 Surety Bond
 - MS Sales Tax #
 - Written consent from property owner of all locations
 - Indemnity Agreement (included in privilege license packet)

Where? - Town Hall

Licensing – Electrical, Plumbing/Gas, Mechanical

- What's required?
- Minimum Experience or Training
 - Testing
 - Auto Insurance
 - \$100,000 General Liability Insurance
 - \$5,000 Surety Bond

Where? - Smithville Building Inspector at Town Hall

Privilege License Exemptions

§ 27-17-479. Privilege tax exemptions; elderly or persons with disabilities and hotel enterprises

(1) Any person sixty-five (65) years old or older, or any person blind, deaf or dumb, or maimed by loss of hand or foot, or loss of the use of the hand or foot, or any citizen of the United States who is disabled or suffering from an infirmity to the extent that he is unable to perform physical labor of not more than fifty percent (50%) of normal ability, and whose annual gross income is not more than Nine Hundred Dollars (\$ 900.00), may exercise any of the privileges named below in this subsection, without the payment of a privilege tax under the provisions of this chapter, which exemption shall be restricted and limited to the following business:

Broom factories, checking rooms, drays, fur dealers, ice cream carts, mattress renovators, sign painters, shoe repair shops, insurance agents.

(2) Any person claiming an exemption under this section shall apply for and obtain a certificate of exemption as provided in Sections 27-17-489 and 27-17-491.

§ 27-17-485. Privilege tax exemptions; clubs for promotion of home arts, etc., and persons pursuing certain trades and callings

Clubs for the promotion or development of the art of canning, preserving or bottling; the art of cooking; art of sewing or handiwork; the art of drawing or painting; or otherwise, the art of home or domestic science may sell their products without paying any of the taxes levied by this chapter, but this shall not be construed to authorize any person, persons, club or clubs to promote such business as a commercial enterprise or to sell things not produced by themselves.

Any natural person who, as an individual, pursues any trade or calling involving only physical labor or skill, including but not limited to farming and pulpwood cutting, and who only receives compensation for his personal physical efforts or manual labor, and does not sell or supply materials for which a specific charge is made, may do so without being required to pay a privilege tax imposed in any of the respective sections of this chapter.

§ 27-17-487. Privilege tax exemptions; activities in fair enclosures

No privilege tax license shall be required of hotels, restaurants, fruit stands and vendors of soft drinks, circuses, exhibitions, street fairs, or other amusements when the same are held within the enclosure of and in cooperation with the annual holding of any state, county or community fair or any fair held for the benefit of the public where no dividends are declared to the stockholders thereof, and the proceeds thereof are used exclusively for the operation, maintenance and improvement of such fair.

Transient Vendor Exceptions

(1) The provisions of this chapter shall not apply to:

- (a) Civic and nonprofit organizations or wholesale sales to retail merchants by commercial travelers;
- (b) Wholesale trade shows or conventions;
- (c) Sales of goods, wares, services or merchandise by sample, catalogue or brochure for future delivery;
- (d) Fairs and convention center activities conducted primarily for amusement or entertainment;
- (e) Any general sale, fair, circus, auction or bazaar sponsored by a church or religious organization;
- (f) Garage sales held on premises devoted to residential use;
- (g) Sales or repairs of crafts or sales or repairs of items made by hand by the person making the crafts or items;
- (h) Duly licensed flea markets operating from a fixed location;
- (i) Sales of agricultural, dairy, poultry, seafood or forest management products or services related to forest management or silvicultural activities, nursery products, foliage plants or ornamental trees, except such products or services sold at retail and not grown or produced within Mississippi;
- (j) Sales of agricultural services.