Ed Buelow, Jr., *Chairman*
and Commissioner of Revenue

Lisa W. Hall, *CPA*
Associate Commissioner

Russell E. Hawkins, *CPA*
Associate Commissioner

MISSISSIPPI
STATE TAX COMMISSION

Sales Tax Division
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March 10, 1999

Ms. Rosemarie Dunn
GSA/FSS/FCXC
1941 Jefferson Davis Highway, Room 507
Arlington, VA 22202

Dear Ms. Dunn:

This is in response to your letter dated February 24, 1999, regarding the implementation of a new credit card program to replace the I.M.P.A.C. credit card.

My understanding of your letter and the accompanying documents is that the United States Government is replacing the I.M.P.A.C. program with the GSA SmartPay program. Instead one card, the GSA SmartPay program will use several cards issued by various financial institutions. These cards will either be MasterCard, Visa or Voyager, and they will have unique prefixes and account numbers, government-designed artwork and wording denoting the card for use by the United States of America. These cards are centrally billed except for those MasterCard and Visa with an account number where the sixth digit is either 1, 2, 3 or 4. These cards will be billed directly to the individual. The account numbering structure for these cards, is as follows:

Prefix (1st four digits)	Platform
5568	MasterCard
4486 or 4716	Visa
8699	Voyager

Under Section 27-65-105(a), Mississippi Code of 1972, for sales to appropriately be classified as exempt, the sale of property or charge for service must be sold directly to, billed directly to and paid for directly by the United States Government. Therefore sales made using one of the above cards where the United States Government is billed directly, meets that criteria and is exempt from sales tax. Sales made using a card, where the individual is billed directly, remains taxable.

I trust that this is the information you were requesting. Should you have any additional questions, feel
free to contact this office at (601)923-7015.

Sincerely,

Carl Gulfield, Deputy Director
Sales and Use Tax Bureau