

# Jobs Tax Credit

Jobs tax credits are credits that can be applied to state income tax to reduce an employer's income tax liability. These credits are earned by certain types of businesses that create and sustain new jobs in Mississippi. The following businesses qualify for these credits:

- Manufacturers
- Wholesalers
- Processors
- Research and Development Facilities
- Distributors
- Warehouse

In addition, the following businesses qualify upon receiving a designation by the Mississippi Development Authority:

- Air and Transportation Maintenance Facilities
- Telecommunications Companies
- Data and Information Processing Companies
- Computer Software Development Enterprises
- Recreational Facilities that impact Tourism
- Resort hotels having a minimum of 150 rooms
- Movie Industry Studios
- Technology intensive facilities

## Program Facts

Jobs Tax Credits are calculated as a percentage of eligible payroll each year for five years, based on job location and wages subject to state income tax. The credits are taken in years two through six after the new jobs are created.

To be eligible for this credit, the employer must create and maintain an annual average employment of the minimum number of jobs required based on the **development ranking of the county**.

County Classification	Jobs	Credit Amount
Tier III	10 or more	10% of Payroll
Tier II	15 or more	5% of Payroll
Tier I	20 or more	2.5% of Payroll

Credits can be used to offset up to fifty percent of the entity's income tax liability, and unused jobs tax credits can be carried forward up to five years.

For further details, see the Mississippi Tax Incentives, Exemptions, and Credits on the State Tax Commission's website <http://www.mstc.state.ms.us/revenue/incentive/2008IncentiveBook.pdf>, or Section 57-73-21, Ms Code 1972, Annotated. To request these documents or for assistance, contact the State Tax Commission at (601)923-7044 or the Financial Resources Division at [financial@mississippi.org](mailto:financial@mississippi.org) or (601)359-3552.