

# Property Tax Fee-In-Lieu

For new or expansion projects in the state that have a private capital investment in excess of \$100,000,000, a negotiated fee can be set that is paid in place of the standard property tax levy. This incentive is provided to encourage development with local communities and must be agreed to by the local board of supervisors and municipal authorities prior to being awarded.

## Program Facts

In instances where a project locates or expands in the state and has a private capital investment that exceeds \$100,000,000, local governing bodies may negotiate a fee to be paid in lieu of the calculated property tax typically due on the property.

This negotiated fee may be awarded for up to 10 years, but cannot be less than one third of the property tax levy, including the property taxes assessed for school districts.

The related municipal authorities and/or the local board of supervisors must approve this incentive. All negotiated fees must be given final approval from MDA.

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 27-31-104, Ms Code 1972, Annotated. To request these documents or for assistance, contact the State Tax Commission at (601)923-7635 or the Financial Resources Division at [financial@mississippi.org](mailto:financial@mississippi.org) or (601)359-3552.