

Chapter 09 Prizes, Awards, Stipends, Scholarships and Fellowship Grants

- 100 Amounts received as prizes and awards are generally included in gross income. Examples include, but are not limited to, amounts received from radio and television giveaway shows, door prizes, awards in contests of all types, as well as any prizes and awards from an employer to an employee in recognition of an employment related achievement.
- 101 For prizes or awards other than money, the fair market value of the goods or services is the amount to be included in gross income.
- 102 Stipends, which are compensation for services (past, present or future), are included in gross income.
- 103 Gross income does not include scholarship or fellowship grants when the funds are used for qualified education expenses. Qualified education expenses include tuition and fees required for enrollment or attendance at the education institution, or books, fees, supplies, and equipment required for courses at the educational institution. Scholarship or fellowship funds used for non-qualifying expenses are taxable. Non-qualifying expenses include, but are not limited to, living and incidental expenses such as room and board, travel, clerical help, research, non-required books and optional equipment.
- 104 The Commissioner will follow federal rules, regulations and revenue procedures regarding prizes, awards and stipends as are deemed not contrary to the context and intent of Mississippi Law.
- 105 See Title 35 Mississippi Administrative Code, Part III, Subpart 3, Chapter 09 Gaming Winnings and Gaming Income, for the treatment of prizes from a gaming establishment or gaming activity.
- 106 (Reserved)

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