

— DEPARTMENT OF —
REVENUE
STATE OF MISSISSIPPI



Mississippi
Tax Incentives, Exemptions and Credits

Revised and Effective November 1, 2018

Website: www.dor.ms.gov

F.1. Definitions

1. Distribution Business

A business where shipments of tangible personal property are processed for delivery to customers, but "distribution" does not include a business which operates as a location where retail sales of tangible personal property are made directly to retail customers.

2. Full-time Job

A full-time job is a job requiring a minimum of thirty-five (35) hours of an employee's time a week for the entire normal year of company operations or a job requiring a minimum of thirty-five (35) hours of an employee's time a week for the year in which the employee was initially hired for or transferred to the Mississippi facility.

3. Leased Employee

A leased employee is an employee that qualifies as a "Full-time Job" and is leased from another entity.

4. Manufacturing Business

"Manufacturer" means one who is exclusively or predominately engaged in the business of manufacturing as defined under the terms "to manufacture" or "manufacturing." A person who is engaged in manufacturing and non-manufacturing activities may be classified as a manufacturer as to his manufacturing activities which are operated as a separate business or division.

"To manufacture" or "manufacturing" embraces activities of an industrial or commercial nature wherein labor or skill is applied, by hand or machinery, to materials belonging to the manufacturer so that a new, different, or more useful article of tangible personal property or substance of trade or commerce or electric power is produced for sale or rental and includes the production or fabrication of special-made or custom-made articles for sale or rental.

"To manufacture" or "manufacturing" does not include activities such as cooking or preparing food or food products by a retailer in the regular course of retail trade; repairing and reconditioning property; the filling of prescriptions by a pharmacist; the washing or screening of mineral products; the cutting, hauling and decking of logs; or similar preparatory functions even when performed by a manufacturer.

"Remanufacturing" embraces activities of an industrial or commercial nature wherein labor or skill is applied by hand or machinery to materials, a portion of which may belong to the customer, so that rebuilt articles of tangible personal property, comparable in quality to new articles of the same property, are created, a majority of the value of which is produced by the remanufacturing activity.

5. New Job

Any job created by an employer in Mississippi at the time a new facility or an expansion is initially staffed, but does not include a job created when an employee is shifted from an existing Mississippi location to a new or expanded facility.

6. Processing Business

"Custom processor" means one who is exclusively or predominately engaged in the business of custom processing or remanufacturing as defined under the terms "custom processing" and "remanufacturing".

"Custom processing" means the performance of a manufacturing service done or made to order upon the property of the customer and shall include laundering, cleaning and pressing, but shall not include "repairs" or "maintenance" as these terms are defined herein; nor self-service commercial laundering, drying, cleaning and pressing equipment.

7. Research and Development Business

A business engaged in laboratory, scientific or experimental testing and development related to new products, new uses for existing products or improving existing products. Research and development does not include any business engaged in efficiency surveys, management studies, consumer surveys, economic surveys, advertising, promotion or research in connection with literary, historical or similar projects.

8. Telecommunication Enterprises

Entities engaged in the creation, display, management, storage, processing, transmission or distribution for compensation of images, text, voice, video or data by wire or by wireless means. It also includes entities engaged in the construction, design, development, manufacture, maintenance or distribution for compensation of devices, products, software or structures used in the above activities. Radio stations, television stations and news organizations are not considered to be telecommunication businesses.

9. Warehousing Activities

Warehousing activities refer to businesses that establish or expand facilities that service and support multiple retail or wholesale locations either in or outside the state. Warehousing activities may be performed solely to support the primary activities of the entity.