



— DEPARTMENT OF —
REVENUE
—
STATE OF MISSISSIPPI

**CORPORATE
INCOME AND FRANCHISE TAX
INSTRUCTIONS**

2014

**INCOME AND FRANCHISE TAX BUREAU
PO BOX 1033
JACKSON, MISSISSIPPI 39215-1033**

WWW.DOR.MS.GOV

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GENERAL INFORMATION

Important tips to help expedite processing of your return:

- ✓ Use black ink when preparing the return.
- ✓ To indicate a loss (negative income), use brackets around the dollar amount.
- ✓ Attach a copy of the federal return behind the state return including returns filed electronically. Combined filers must attach the consolidated Federal Form 1120 (pages 1-5), Schedule M-3 and a complete Pro-Forma Federal Return. Additional schedules and attachments should be stapled to the return.

Visit our website at www.dor.ms.gov to download forms by tax year and tax type.

WHAT'S NEW!

LEGISLATIVE CHANGES

The following is a brief description of selected legislative changes. A copy of all legislative bills is available at <http://www.dor.ms.gov/taxareas/misc/NewLegislation.html>.

Senate Bill 2023:

This bill amends Miss. Code Ann. §57-73-21 to include entities that perform certain warehousing activities are eligible for the jobs tax credit. The credit that is generated by the entity shall offset the income of the entity based on an apportioned ratio of payroll for warehouse employees of the entity to total Mississippi payroll of the entity that includes the payroll of retail employees of the entity. The bill was effective January 1, 2014.

Senate Bill 2065:

This bill amends Miss. Code Ann. §27-13-9 to exclude deferred gains and deferred income from the computation of capital, paid-in-capital, surplus and retained earnings for purposes of the corporation franchise tax law. It also provides that capital shall be reduced by the cost of treasury stock of the corporation regardless of whether such stock is purchased with the earnings of the corporation. The bill was effective July 1, 2014.

Senate Bill 2628:

This bill amends Miss. Code Ann. §27-13-63 to exempt savings and loan associations organized under the laws of the State of Mississippi or the United States which have no outstanding capital stock from franchise tax in Mississippi. The bill was effective March 19, 2014.

Senate Bill 2933:

This bill creates Miss. Code Ann. §27-7-24.8 to provide a method of apportioning income of a major supplier of medical or pharmaceutical products for a Mississippi distribution facility. The apportionment percentage shall be determined by adding together a payroll factor which shall be counted twice, property factor which is counted twice and sales factor which is counted once, then divide the sum by five.

The bill also amends Miss. Code Ann. §27-7-23 to define a "major medical" or "pharmaceutical supplier" as a company or group of affiliated companies who ship medical or

pharmaceutical products to a Mississippi distribution facility. The bill was effective January 1, 2014.

House Bill 487:

This bill creates the Uniform Statewide System for filing notices of tax liens maintained by the Department of Revenue. All outstanding tax liens as of January 1, 2015 shall be immediately enrolled on the tax lien registry.

House Bill 785:

This bill amends Miss. Code Ann. §57-73-21 to authorize an income tax credit for any company that transfers or relocates its national or regional headquarters to Mississippi. The company must create 20 jobs in order to qualify for the credit. The credit is equal to the actual relocation costs paid in each year and is limited to 50% of the income tax liability. Any excess credit may be carried forward for 5 years. The bill was effective January 1, 2014.

House Bill 799:

This bill has multiple substantial changes to tax laws. The major changes and affects of this bill are as follows:

- Alternative Apportionment – Miss. Code Ann. §27-7-23, §27-7-24, §27-7-23(2)(D) and §27-7-24(5) was amended to provide that the party requesting or requiring an alternative method shall bear the burden of proving by preponderance of the evidence that the standard methods outlined in statute do not fairly represent the taxpayer's activity.
- Forced Combined or Consolidated Income Tax Return – Miss. Ann. Code §27-7-37, §27-7-37(2)(ii) and §27-7-37(2)(iii) was amended to provide that the commissioner cannot require a corporation that is taxable under the state income tax law and affiliated with one or more corporations that are not taxable under the state income tax law to file a combined return until regulations have been enacted specifying the criteria and circumstances that form the basis for meeting the preponderance of evidence standard to support a conclusion that intercompany transactions have resulted in the improper shifting of income to another member of the affiliated group.
- Additional Income Taxes or Refunds; Delinquent Taxes and Failure to File – Miss. Code Ann. §27-7-51, §27-7-53, §27-7-315, §27-7-327, §27-7-345, §247-13-23 and §27-13-25 was amended to provide the following:

(1) the taxpayer shall be given a period of sixty (60) days from the date the commissioner mailed or hand delivered the assessment before collection procedures may begin;

(2) if the Department of Revenue does not refund any overpayment provided for in the income tax laws within six (6) months after the final date for filing returns, the taxpayer may treat this as a denial of the refund subject to appeal procedures found in Miss. Code Ann. §27-77-5. A taxpayer's failure to file an appeal on the deemed denial will not prevent the taxpayer from filing an appeal upon a subsequent formal denial.

(3) the rate of interest for taxes assessed on or after January 1, 2015, the rate of interest paid on an overpayment reflected on a return or amended return

filed on or after January 1, 2015 and the rate of interest on any overpayment based on a determination of refund by the commissioner, Board of Tax Appeals or court on or after January 1, 2015 will be as follows:

- 9/10 of 1% per month from 01/01/15 through 12/31/15
 - 8/10 of 1% per month from 01/01/16 through 12/31/16
 - 7/10 of 1% per month from 01/01/17 through 12/31/17
 - 6/10 of 1% per month from 01/01/18 through 12/31/18
 - 1/2 of 1% per month on or after 01/01/19
- **Appeals** – Miss. Code Ann. §27-77-5 and §27-77-7 was amended to provide that the taxpayer has sixty (60) days to appeal and that the appeal time runs from the date the agency mailed or delivered written notice. The time frame for an appeal to the Board of Tax Appeals will begin from the date the Board of Review mailed the order. If the Board of Review does not issue an order within six (6) months of the hearing, the taxpayer may treat this as a denial of the relief requested at the hearing and appeal this deemed denial to the Board of Tax Appeals. The filing of an appeal on the deemed denial does not prevent the taxpayer from filing an appeal based on the Board of Review's issuance of a subsequent order.

PREKINDERGARTEN CREDIT

The Prekindergarten Credit is a state income tax credit for contributions made to qualified prekindergarten programs during calendar year 2013 or any calendar year thereafter. In order to qualify for the credit, contributions shall support the local match requirement of approved providers, lead partners or collaboratives as necessary and must be approved by the State Department of Education. The credit shall not exceed \$1,000,000 by any individual, corporation or other entity during any calendar year. Any unused portion of the credit may be carried forward for three (3) years. The credit went into effect July 1, 2013.

AD VALOREM TAX CREDIT CARRYFORWARD PROVISION

Any unused ad valorem tax credit claimed under Miss. Code Ann. §27-7-22.5 can now be carried forward for five consecutive years from the close of the tax year in which the credit was earned. The change went into effect July 1, 2012.

GENERAL INSTRUCTIONS

WHO MUST FILE

- Every corporation domesticated or qualified to do business in Mississippi must file a return even if the corporation is inactive or not otherwise engaged in business. Such corporation will remain subject to the filing requirements until it is officially dissolved or withdrawn through the Office of the Mississippi Secretary of State.
- Foreign corporations engaged in business in Mississippi or having sources of income in this state although not

UNDERESTIMATE INTEREST AND PENALTY

The Department of Revenue intends to amend the administrative rule to be in conformity to the statutory language in Miss. Code Ann. §27-7-319 which does not provide any safe harbors when computing underestimated interest and penalty. As a result, Form 83-305 does not have the prior year safe harbor. However, the amended rule has not gone into effect.

If the taxpayer is considered a small corporation and the prior year income tax liability is smaller than the current year income tax liability, enter the prior year amount on line 1 and skip line 2 of Form 83-305. Attach a copy of the federal Form 2220 if using the annualization method.

TAXPAYER ACCESS POINT (TAP)



Remember, TAP is ...

- **Easy to use**
- **Convenient**
- **Free**

Go Paperless!

With TAP, you have the option to Go Paperless. This means that you pay your taxes online and receive certain correspondence electronically.

TAP e-mail lets you know that you have new correspondence to view online. You then logon to TAP to read the letter or message and take appropriate action on your account. Only you, or persons you authorize, can see your correspondence.

When making payments or updating profile information, you should always log directly into TAP using your User ID and password. TAP does not provide links containing your transaction or personal information to any external web site.

Remember, you can pay your bill online through TAP without registering for a TAP account. For more information on TAP, view the Electronic Filing Section of this booklet.

qualified to transact business in this state through the Office of the Secretary of State are subject to the measure of the income and franchise tax levy.

- Every exempt corporate organization as described in Miss. Code Ann. §27-7-27 or §27-7-29 and not otherwise exempt from the income tax levy is required to make a corporate tax filing if they have Mississippi unrelated business taxable income. Refer to the Unrelated Business Taxable Income of Exempt Organizations Section of this booklet for more information.
- Title insurance companies and class A burial insurance companies should use Form 83-105. Class B burial

companies, writing life, accident and health, fire and casualty insurance companies should use Form 83-391. Refer to the Insurance Companies Section of this booklet for additional information regarding Form 83-391.

TIME AND PLACE FOR FILING

The Mississippi combination return of corporate income and franchise tax must be filed on or before the 15th day of the 3rd month following the close of the accounting year. A short taxable year is considered a taxable year and must be filed on or before the 15th day of the 3rd month following the close of the short fiscal year. If the due date falls on a Saturday, Sunday or legal holiday, the return is due the next business day. A business day is any day that is not a Saturday, Sunday or legal holiday.

Extension of Time to File Return: Taxpayers requesting an extension of time to file the return must remit the tax due with Form 83-180 on or before the due date of the return. The authorized extension of time to file does not extend the time for payment of the income or franchise tax due. Interest and penalty will apply on any underpayment of tax.

The return should be mailed to:

Department of Revenue	Street Address:
P.O. Box 23050	500 Clinton Center Drive
Jackson, MS 39225-3050	Clinton, MS 39056

ELECTRONIC FILING



Taxpayer Access Point (TAP)

TAP provides online access to your tax account information 24 hours a day, 7 days a week. TAP is free and convenient!

Users of TAP are able to:

- make electronic payments of returns and assessments;
- view previously filed returns and amended returns;
- make address changes and view tax correspondence;
- view recent account activity, and;
- register a new business or add accounts to the business;

Third Party Access for Tax Practitioners: Tax practitioners can have TAP access to account information for each of your clients-- from one login. First, create your own TAP account (only one per FEIN). Once you are registered in TAP, select "Add Access to Existing Account." Your client (taxpayer) must provide you the Letter ID and Account ID in order for you to have access to their accounts. All accounts you set up for third party access are found under the "Other Taxpayers' Accounts" tab in TAP. For more information on TAP, visit our website at www.dor.ms.gov.

Users cannot file Corporate Income and Franchise Tax Returns in TAP. However, tax preparers have the ability to file the tax returns electronically through an authorized software provider. A copy of the complete federal return must be submitted electronically. Please visit our website at www.dor.ms.gov for additional information on how to file

Mississippi returns on-line and how to access approved on-line software providers.

WHO MUST SIGN

The return must be signed by the president, vice president or other officer of the corporation. A receiver, trustee or assignee must sign any return which he/she is required to file on behalf of a corporation.

Anyone who prepares the return but does not charge the corporation should not complete the paid preparer section. Generally, anyone who is paid to prepare the return must legibly sign it and must also furnish the preparer tax identification number (PTIN) issued by the Internal Revenue Service (IRS).

REQUIRED FORMS AND SCHEDULES

To be a complete return, the return should contain all the requisite general information, as well as, all summary tax information and the basic back up schedules. Examples of the required general information are complete name, current address, FEIN, officer information and signature and other information relating to the filing entity as requested on page 2 of Form 83-105.

Examples of the summary tax information are the front page of the return, the franchise tax schedule, the computation of net income, the computation of the apportionment factor (if applicable), the balance sheet, non-business income schedule (if applicable), the direct accounting income statement (if applicable), schedules showing the computation of any tax credit taken (such as jobs credit) and schedules showing the computation of any major items on the return.

Examples of the basic backup schedules are details of other additions or other deductions as requested on the computation of net income schedule, details of other additions or other deductions as requested on other statements made a part of the return, details of other current assets and other assets, and details of other current liabilities and other liabilities on the balance sheet as are normally included with the federal return.

TAX PAYMENTS

The total tax due on the combination return must be paid in full no later than the 15th day of the 3rd month after the end of the tax year.

Payment Options:

- **Online Payments:** To pay online, go to www.dor.ms.gov, click on Taxpayer Access Point (TAP) and follow the instructions. Without a MARS account or a TAP login, users are able to make estimate payments online.
- **Check or Money Order Payments:** To pay by check or money order, complete the payment voucher (Form 83-300), make the check or money order payable to the Department of Revenue and mail both to P.O. Box 23075, Jackson, MS 39225-3075.

- **Credit Card or Electronic Check Payments:** To pay by credit card or electronic check go to www.officialpayments.com. There is a 2 1/2% convenience fee for using the credit card service or a \$3.00 transaction fee to process electronic check payments. Visa, Master Card, Discover and American Express cards are accepted. The Jurisdiction code for Mississippi is 3400.

ESTIMATED TAX PAYMENTS

Every corporate taxpayer with an annual income tax liability in excess of \$200 must make estimated tax payments. At least 90% of the current income tax liability must be paid by submitting quarterly payments. The remaining of the balance is due by the due date of the return. The due date for estimated tax payments are:

- 15th day of the 4th month after year end;
- 15th day of the 6th month after year end;
- 15th day of the 9th month after year end, and;
- 15th day of the 12th month after year end.

The payment is due on the next business day if the date falls on a Saturday, Sunday or legal holiday.

Penalties may apply if the corporation does not make the required estimated tax payments by the due date. Use Form 83-305 to determine the amount of interest and penalty on underestimate. See detailed instructions for the form under the Specific Instructions for Form 83-305 Section of this booklet.

INTEREST AND PENALTY PROVISIONS

- **Late Payment:** Interest and penalty are charged on taxes paid late even if an extension of time to file is granted. The interest is at the rate of 1% per month from the due date until paid. For taxes assessed on or after January 1, 2015, the rate of interest assessed is computed as follows:
 - 9/10 of 1% per month from 01/01/15 through 12/31/15
 - 8/10 of 1% per month from 01/01/16 through 12/31/16
 - 7/10 of 1% per month from 01/01/17 through 12/31/17
 - 6/10 of 1% per month from 01/01/18 through 12/31/18
 - 1/2 of 1% per month on or after 01/01/19

The penalty imposed for failure to pay the tax when due is 1/2% per month not to exceed 25% in the aggregate.

- **Late or Non-File:** Penalties are imposed for failure to file a return when due on the total amount of the tax deficiency or delinquency. The penalty is 5% per month not to exceed 25% in the aggregate. The penalty shall not be less than \$100 for income tax for failure to file a return.
- **Incomplete Returns:** A corporation that does not file a complete return or does not file a return within the prescribed time may be subject to a penalty of \$25 required attachment or schedule up to a maximum of \$500 per return.

The purpose of this penalty provision is to ensure that sufficient information is disclosed on the return. If major

schedules (such as the balance sheet) are omitted or incomplete, or if schedules are consistently omitted or incomplete, then the penalty will be imposed. The more severe or consistent the omission, the more likely it is that the penalty will be imposed. Refer to the Required Forms and Schedules Section of this booklet for additional information on what constitute a complete return.

ACCOUNTING METHODS

Direct or Separate Accounting Method: Producers of mineral or natural resource products and construction contractors are required to use direct accounting in computing their taxable income to this state. For more details, see Title 35, Part III, Subpart 08, Chapter 06 of the Miss Administrative Code. Other taxpayers may not employ a direct accounting or separate accounting method unless they have obtained written authority from the Commissioner to do so. Refer to the Producers of Mineral or Natural Resource Products Section of this booklet for additional information.

ACCOUNTING PERIOD

Returns should be filed on the basis of the 12-month accounting period established by the corporation. A corporation on a fiscal year basis must enter the beginning and ending dates of the taxable year in the appropriate spaces on the return. No accounting period, other than calendar year, will be recognized, unless before its close it was definitely established as an accounting period by the taxpayer and the books of such taxpayer were kept in accordance therewith. No accounting period should be changed without the approval of the Commissioner.

ROUND TO THE NEAREST DOLLAR

All dollar amounts should be rounded to the nearest whole dollar (no pennies). Round down to the next lower dollar amounts under \$.50 and round up to the next higher dollar amounts of \$.50 and over. For example: \$2.15 becomes \$2.00; \$4.75 becomes \$5.00; and \$3.50 becomes \$4.00.

RECORDKEEPING

Taxpayers are required to maintain an accurate and complete set of records and other information necessary for the Department to determine the correct amount of tax due. The records and other information must be available for inspection by the Department upon request at a reasonable time and location. Refusal or delay by the taxpayer to provide documentation upon the Department's request will result in an assessment being made from any information available, which shall be prima facie correct.

TAX RATES

Franchise Tax: \$2.50 per \$1,000, or fractional part thereof, of capital, surplus, undivided profits and true reserves employed in Mississippi (**Minimum tax of \$25**).

Income Tax: 3% on the first \$5,000 of taxable income, 4% on the next \$5,000 of taxable income and 5% on taxable income in excess of \$10,000.

AMENDED RETURN

File an amended return to:

- make adjustment to tax;
- claim a refund due to an adjustment to tax;
- claim a net operating loss (NOL) carryback deduction;
- report federal adjustments (1120X), and;
- report IRS audit adjustments (RAR).

When to File: A taxpayer may apply to the Commission for revision of any return filed at any time within 3 years of the due date; or, if an extension was granted, 3 years from the date the return was filed. The 3 year period is not applicable to an IRS audit; however, no additional assessment or refund will be made more than 3 years after the date the IRS disposes of the tax liability in question.

Net Operating Loss (NOL): Form 83-155 must be filed with an amended return in order to claim a net operating loss

deduction. Form 83-155 is used to make an irrevocable election to carryback or carryforward the current year NOL. For more information concerning net operating losses, see the Net Operating Loss (NOL) & Capital Loss Section of this booklet.

Internal Revenue Service Audit (RAR): To document adjustments made as a result of an IRS audit, the Revenue Agent Report should be attached to the Mississippi amended return.

Amended Federal: To document adjustments made as a result of an amended federal return, a copy of the amended federal (Form 1120X) should be attached to the amended Mississippi return. If a consolidated amended federal return as filed, please attach an amended Pro-Forma Federal Return, as well as the amended consolidated federal return to the amended state return.

Any other documentation supporting the adjustments made should also be included with the amended Mississippi return. Attach a copy of the original filed return. Overpayments that are not refunded will be applied to the next period for which the corporation makes a filing.

FRANCHISE TAX

The franchise tax is measured by the value of capital used, invested or employed in the exercise of any power, privilege or right enjoyed by the corporation within Mississippi. The mode of measurement is the amount of capital of the corporation employed or so situated as to be privileged to be employed in this state. In determining the amount of capital, the net book value as regularly employed in conducting the affairs of the corporation should be accepted as prima facie correct as to the true capital of the corporation, except where the Commissioner determines that the book value does not properly reflect capital employed in this state and in that situation the Commissioner's determination of capital should be prima facie correct.

Form 83-110 must be completed by all corporations to indicate the amount of capital of the corporation. All reserves that do not represent definitely known and fixed liabilities must be considered as elements of capital of the corporation. Amounts designated for payment of dividends may not be excluded unless such amounts have been definitely and irrevocably placed to the credit of the stockholder, subject to withdrawal on demand. Sums representing debts, notes, bonds, mortgages due and payable, depreciation reserves, bad debt reserves, or reserves representing valuation accounts may be excluded (unless between affiliated companies or shareholders).

Holding Corporation: A holding corporation, as defined in Miss. Ann. Code § 27-13-1(i), is (1) any corporation owning at least eighty percent (80%) of the value of capital stock and at least eighty percent (80%) of the combined voting power of all classes of capital stock of another corporation and (2) deriving at least ninety-five percent (95%) of its gross receipts from dividends, interest, royalties, rents, services provided to members of an affiliated group (as defined in Section 27-7-37(2)(d)) to the extent of the cost of providing such services.

Per Miss. Ann. Code §27-13-1(i), in the case of a holding corporation, the value of the capital used, invested or employed in this state shall exclude that portion of the book value of the holding corporation's investment in stock or securities of its subsidiary corporation using the ratio between (1) the holding corporation's investment in stock or securities of its subsidiary corporation and (2) the holding corporation's total assets. Such ratio shall then be applied to the total capital stock, surplus, undivided profits and true reserves of the holding corporation in order to arrive at the amount of the exclusion. The holding company exclusion is computed on line 8 of Form 83-110 and a schedule of computation must be attached to the return for the exclusion.

Multistate Taxpayers: Lines 10 through 13 of Form 83-110 must be completed by multistate corporations doing business both within and without Mississippi. Total capital of a multistate corporation is apportioned to Mississippi in the ratio that real and tangible personal property owned in Mississippi and gross receipts from business carried on in Mississippi bears to the total real and tangible personal property owned by the corporation and gross receipts wherever located and from wherever received.

The amount of capital apportioned to Mississippi is computed on line 14 of Form 83-110. The section of Form 83-110 concerning the assessed values of all real and personal property in Mississippi must be completed by all corporations. Miss. Code Ann. § 27-13-9 and § 27-13-13, provide that the amount of the determined capital in Mississippi should in no case be less than the assessed value of the Mississippi property of the corporation for the year preceding the year in which the return is due. Taxable capital is calculated on lines 16 through 19 of Form 83-110. The amount of taxable capital shown on line 19 should be entered on line 1, Form 83-105.

For tax years ending on or after December 31, 2001, the property and receipts of flow-through entities must be included in a multistate corporate partner's computation of the apportionment ratio applied to the capital base. The assessed value of property of flow-through entities must be included in a multistate corporate partner's assessed value of property when determining the alternate capital base.

INCOME TAX – GENERAL INFORMATION

Generally, all domestic and foreign corporations having income from sources within Mississippi must complete Form 83-122, which makes adjustments for additions to and deductions from federal ordinary income due to differences in federal and Mississippi laws, to arrive at net income (loss) for state purposes.

INSTALLMENT SALES

Mississippi does not follow federal rules concerning installment sales. Gains from the sale of casual property will be recognized in the year of the sale. However, the tax on the gain may be deferred. Deferred taxes are generally paid as the proceeds from the sale are received. However, the following will result in acceleration of payments:

- Transfer, disposition, sale or disposal of the note in any manner will result in deferred tax payments becoming immediately due and payable.
- Liquidation, dissolution, withdrawal from this state and certain merger transaction will result in deferred tax payments becoming immediately due and payable.
- Failure to comply with the necessary filing requirements.

Taxpayers who elect the installment method for federal income tax purposes should include as a part of their return both a Federal Form 6252 and a schedule of any differences between the federal and Mississippi amounts.

INTANGIBLE & INTEREST EXPENSES

Taxpayers are required to add back the following to its computation of net income:

- Intangible expenses and costs and interest expenses and costs in relation to or in connection with the direct or indirect maintenance or management, ownership, sale, exchange or other disposition of intangible property.
- Royalty, patent, technical and copyright fees, licensing fees and other similar expenses.
- Expenses and costs associated directly or indirectly with factoring transactions or discounting transactions.

Intangible property includes patents, patent applications, trade names, trademarks, service marks and similar types of intangible assets.

Limitations: The adjustment will not apply to such portion of intangible expenses, interest expenses and costs which are not with a related member; or the related member is not primarily engaged in the acquisition, use, maintenance, management, ownership, sale, exchange or other disposition of intangible property; and, the transaction(s) were done for a valid business purpose.

ARMS-LENGTH TRANSACTIONS

The state definition of "arms-length" is not tied to that of the federal definition. See Miss. Code Ann. § 27-7-9(j)(6). The Commissioner can adjust a transaction when income has been shifted between related parties and/or taxes have been avoided in this state.

LONG TERM CAPITAL GAINS FROM SALES OF STOCK

Gains from the sale of certain stocks in domestic entities are not recognized as a part of income. However, the gain must be reduced by losses from the sale of certain stocks in domestic entities if the losses were incurred in the year of the gain or within the two years preceding or subsequent to the gain. See Miss. Code Ann. §27-7-9(f)(10).

EXTRATERRITORIAL INCOME

Mississippi has not adopted federal provisions related to Extraterritorial Income Exclusion. The amount related to this exclusion of income on the federal return must be added back to the Mississippi income tax return prior to the apportionment of income. The proper placement for this Mississippi adjustment to federal income is on Form 83-122, line 7 titled "Other Additions Required by Law". A copy of Federal Form 8873 should be attached to the Mississippi return when this adjustment is being made for federal purposes.

In addition, a FSC (Foreign Sales Corporation) that is organized under the laws of a U.S. territory is treated as a domestic corporation and, thus, dividends received from it are considered apportionable business income.

APPORTIONMENT/ALLOCATION

Total Assignment of Income: If the business activity in respect to any trade or business of the corporation occurs within this state, and if by reason of such business activity the corporation is not taxable in another state, the total net income (loss) of the corporation is assigned to Mississippi.

Apportionment of Business Income: If the business activity in respect to any trade or business of a taxpayer occurs both within and without this state, and if by reason of such business activity the taxpayer is taxable in another state, the portion of the net income (loss) arising from such trade or business which is derived from sources within this state, should be determined by apportionment in accordance with the formulas prescribed by Title 35, Part III, Subpart 08, Chapter 06 of the Miss. Admin. Code unless prescribed otherwise. In such case, the taxpayer must complete Form 83-125. Multistate contractors use Form 83-124.

Allocation of Nonbusiness Income: Non-business income (loss) shall be allocated by multistate corporations within and without this state in accordance with the provisions of Title 35, Part III, Subpart 08, Chapter 06 of the Miss. Admin. Code. Form 83-150 should be used only if the corporation has activities in another state and has income, losses, expenses, or deductions which are to be allocated ("nonbusiness") rather than apportioned. For a definition of what constitutes "nonbusiness" income, losses, expenses, and deductions and rules for allocating these items, See Miss. Code Ann. §27-7-23.

NET OPERATING LOSS (NOL) & CAPITAL LOSS

Net Operating Loss: For any taxable year ending after December 31, 2001, the period for net operating loss carrybacks and net operating loss carryovers is two periods back and twenty periods forward. This is **NOT** in accordance with federal carryback and carryover provisions that provide for a five-year carryback period.

A short taxable year counts as a taxable year. A taxpayer may elect to forgo the carryback on Form 83-155. Once this election is made, it cannot be changed.

Form 83-155 must be completed and attached or an NOL deduction will not be allowed. Taxpayer must indicate the income year the NOL was applied (Column C of Form 83-155).

Capital Loss: Capital losses may be deducted only to the extent of capital gains. Capital losses may not be used to offset the gains of another member in a combined group filing. Any unused capital losses are carried back three years and forward five years. The definition of capital loss carryover, capital loss carryback, short-term capital loss, long-term capital loss, and similar terms are the same as for federal income tax purposes. Form 83-155 must be completed and attached or the capital loss deduction will not be allowed.

COMBINED INCOME

The tax returns of all members in a combined group should be mailed at the same time. Do not staple all of the returns together. Each return should be fastened separately.

Each member of an affiliated group of corporations eligible for and electing to file in a combined income tax return must file its own Mississippi corporate income tax return (Form 83-105) and each corporation must complete and attach to their respective return all applicable schedules including the schedule for computation of net income (loss), Form 83-122.

Mississippi income tax due on the combined net income of the affiliated group must be determined and reported by the Reporting Corporation. In addition to the regular income tax return, the designated Reporting Corporation must complete and attach to its return Form 83-310. Other included members of the group should enter "zero" on Form 83-105, page 1, line 5 and must indicate the name and FEIN number of the Reporting Corporation.

In case of delinquency or failure on the part of the Reporting Corporation to report and pay the income tax due, each included member of the affiliated group is severally liable for the tax on a combined return and for any determined deficiency thereon.

Combined reporting is authorized only with respect to the income tax levy. Mississippi law does **NOT** authorize combined reporting for franchise tax; therefore, separate returns are required of all corporations chartered to do business in Mississippi or which are in fact doing business in Mississippi except for the Reporting Corporation. The Reporting Corporation in a combined filing must file a return that includes its own franchise tax and the combined income of the group.

Payment: Taxpayer must issue separate checks for franchise tax due from all entities included in combined return. Payments will not be transferred to another entity in the combined group unless specified on the Application for Automatic Six Month Extension, Form 83-180.

PRODUCERS OF MINERAL OR NATURAL RESOURCE PRODUCTS

Taxpayers engaged in the trade or business of producing oil, gas, other liquid hydrocarbons, sulfur, coal, sand, gravel and other mineral or natural resource products, except timber, should determine Mississippi net business income from such activity on a direct or separate accounting basis.

The Mississippi gross business income from the production of mineral or natural resources shall include: (a) sales of natural or mineral resources produced in Mississippi and sold in this state; (b) the market value, at the time of transfer, of all natural or mineral resources produced in this state and transferred by the taxpayer to another state for sale, refining, processing or manufacturing, provided that if the natural or mineral resources are sold by means of an "arms-length" transaction prior to refining, processing or manufacturing, the market value prescribed herein shall not exceed the selling price; and (c) the market value at the time of transfer, of all natural or mineral resources produced by the taxpayer in Mississippi and transferred to a refinery, processing plant or manufacturing facility of the taxpayer in Mississippi.

A natural resource product shall be deemed to be sold in Mississippi if it is located in this state at the time title thereto passes to the purchaser. In the absence of specific proof of value of natural resources at the time of transfer from the state, the value of natural resources at the time of production should be determined in accordance with the methods prescribed for the determination of "gross income from the property" for purposes of percentage depletion for federal income tax purposes.

UNRELATED BUSINESS TAXABLE INCOME – EXEMPT ORGANIZATIONS

For tax years beginning on or after January 1, 2002, every exempt organization, as described in Miss. Code Ann. § 27-7-27 or § 27-7-29 and not exempt from the income tax levy (federal & state agencies, etc.), is required to file an income tax return with this state if the organization:

1. Earns or receives unrelated business taxable income as determined under IRC Section 512 or is an ESOP with an interest in an "S" corporation, and
2. Is a resident of this state, doing business in this state, or receiving income from sources within this state.

Exempt corporate organizations file Form 83-105 and any necessary supplemental schedules. These organizations are not subject to the franchise tax levy and should leave lines 1 through 4 blank.

Exempt trust organizations, including employee and retirement trust, file Form 81-110 and any necessary supplemental schedules.

In computing taxable income, enter on line 1 of Form 83-122 (line 1, page 2 of Form 81-110 for trust organizations) the amount of unrelated business taxable income before any net operating loss and specific deduction as reported on Federal Form 990-T. A complete and signed copy of Federal Form

990-T must be attached to the Mississippi schedules as a part of the return. Make any necessary adjustments for income/expenses otherwise included/excluded under the income tax laws of this state such as income from sources without this state, add-back of nondeductible income taxes, etc.

Corporate organizations with unrelated business taxable income are subject to the same estimated payment requirements as other corporate taxpayers. Corporate organizations must make all required tax payments by the 15th day of the third month following the close of the tax year.

While the filing deadline is also the 15th day of the third month following the close of the tax year, an automatic six-month filing extension is granted. If a taxpayer files an extension for federal tax purposes, the Mississippi filing deadline will be extended through the date of the federal extension as well.

Employee Stock Ownership Plans that receive Mississippi income as a shareholder in an "S" corporation must include such income as a part of Mississippi taxable income. The source of the income is determined by the "S" corporation's activities and is reported on Form 84-132 to the ESOP shareholder.

Trust organizations must make all required tax payments by the due date of the return.

INCENTIVE CREDITS AND EXEMPTION

Incentive credits may be used to offset all or part of the corporate income and/or franchise tax liability. For any of these credits to be allowed, schedules must be attached showing the computations. Form 83-401 should be completed and attached as a part of the return. If more than three income tax credits are claimed, attach a supplemental schedule and enter the total on line 3 of Form 83-401. The following is a brief description of the major credits allowed under state statutes:

Premium Retaliatory Tax Credit (02)

An income tax credit available to insurance companies that paid additional retaliatory premium taxes to other states. The credit can offset 100% of income tax due. No carryover is allowed for this credit.

Finance Company Privilege Credit (03)

An income tax credit provided to finance companies that paid privilege taxes. The credit can offset 100% of income tax due. No carryover is allowed for this credit.

Jobs Tax Credit (05)

A credit is allowed for increasing employment levels in certain types of business. The business must be primarily engaged in manufacturing, processing, warehousing, distribution, wholesaling, or research and development; or designated by rule and regulation by the Mississippi Development Authority as air transportation and maintenance facilities, final destination or resort hotels having a minimum of 150 guest rooms, recreational facilities that impact tourism, movie industry studios, telecommunications enterprises, data or information processing enterprises or computer software

development enterprises or any technology intensive facility or enterprises.

The amount of the credit is based on the number of new jobs created and the county where the jobs are created. The credit is good for a period of 5 years. This credit may be used in combination with any of the other credits. However, the total of the Jobs Tax Credit is limited to 50% of the income tax liability attributable to the income derived from operations in this state for that year. Any credit claimed but not used in a taxable year may be carried forward for 5 years.

Effective January 1, 2005, the calculation of the credit was changed to a percentage of payroll for new full-time jobs:

County Ranking	Average Minimum Increase of Jobs	Percentage of Payroll
Tier One (Developed)	20 or More	2.5%
Tier Two (Moderately Developed)	15 or More	5%
Tier Three (Less Developed)	10 or More	10%

The number of jobs must be created within 1 year and is measured at the end of the fiscal year. They cannot be accumulated over several years. The credit is available for each net new full-time job created as long as the minimum number has been achieved and maintained. The credit is for full-time positions only and is based on the current year gross payroll. The credit allowed shall be adjusted in the event of

payroll fluctuations during the additional five (5) years of the credit. You cannot combine part-time jobs to add up to a full-time job. The credit is based on filled positions and the employees must be employed in this state and subject to Mississippi Withholding Tax. Form 83-450 must be completed and attached to the return. Please attach to this form, a schedule listing the new full-time jobs created (titles/pins, date created and payroll amount for the year).

A job tax credit is authorized for each full-time employee employed in a new cut and sew job by enterprises that own or operate an upholstered household furniture manufacturing facility. The repeal date on this provision is extended to July 1, 2016.

National or Regional Headquarters Tax Credit (06)

An income tax credit is available for a 5 year period for each position assigned to the national or regional headquarters of a business created in or transferred to Mississippi. The credit is \$500 for each new full-time employee, \$1,000 for each new full-time employee whose salary is 125% of the average annual state wage, or \$2,000 for each new full-time employee whose salary is 200% of the average state wage. A minimum number of 20 new headquarters jobs must be created to receive the credit. **A taxpayer claiming refund on this credit must file a separate return; it cannot be included in a combined return.**

Headquarters Relocation Credit (32)

Effective January 1, 2014, an income tax credit is authorized under House Bill 785 for any company that transfers or relocates its national or regional headquarters to Mississippi. The bill provides that the amount of the credit is equal to the actual relocation costs paid by the company in the taxable year. Relocation costs shall include those nondepreciable expenses that are necessary to relocate headquarters employees to the national or regional headquarters, including, but not limited to, costs such as travel expenses for employees and members of their households to and from Mississippi in search of homes and moving expenses to relocate furnishings, household goods and personal property of the employees and members of their households. The company must create twenty (20) jobs to qualify and the credit shall be applied to the taxable year in which the relocation costs are paid. The credit is limited to \$1,000,000 cap each fiscal year. The repeal date is July 1, 2019.

Research and Development Skills Credit (07)

This credit provides an incentive to locate full-time positions requiring research and development skills in the state. These positions have to be engaged in research and development activity. Qualification of jobs for this credit would require at a minimum, a Bachelors degree in a scientific or technical field of study from an accredited 4 year college or university, employment in the employee's area of expertise and compensation at a professional level with 2 years of related job experience. Examples are chemist and engineers.

A credit of \$1,000 for each full-time position requiring research and/or development skills is available for a 5 year period. There is no minimum number of positions that must be created to qualify for this credit. The credit is for full-time positions only. Part-time jobs cannot be combined to add up to a full-time job. The credit is based on filled positions and the employees must be employed in this state and subject to Mississippi Withholding Tax. The credit for employees employed for less than 12 months will be allowed based on a

pro-rated portion in the first and last years. The amount of the credit is pro-rated based on the number of months the employee is employed in this state divided by 12.

The total of the Research and Development Skills Credit is limited to 50% of the income tax liability attributable to the income derived from operations in this state for that year. Any excess credit amount can be carried forward for up to 5 years from the original year in which the excess credit could not be used.

Employer Child/Dependent Care Credit (08)

The Child/Dependent Care Tax Credit is an incentive to any business providing dependent day care (both children and adult) for its employees during the employee's working hours or assisting community-provided day care. The expenses must be incurred in the operation of a program certified by the Mississippi Department of Health. The net cost of any contract executed by the employer for a third party to provide dependent care is a qualified expense. If the employer elects to provide dependent care directly, then the qualified expenses are expenses for staff, learning and recreational materials and equipment, and cost associated with the construction and maintenance of a facility. Additional eligible expenses include costs assumed by the employer which increases the quality, availability and affordability of dependent care in the community used by employees during the employee's work hours. For facilities and equipment, the eligible expense is the amount of depreciation expense allowable in computing taxable income. These expenses are net of any reimbursement.

The Child/Dependent Care Tax Credit may be used in combination with any other credit. The credit is equal to 50% of the qualified day care expenses. It is not refundable. It can be used to offset 100% of the income tax liability. Any excess credit amount can be carried forward for up to 5 years from the original year in which the excess credit could not be used.

Skills Training Credit (09)

A credit is allowed for certain employer-sponsored basic skill training and retraining programs. The credit allowed is 50% of qualified expenses not to exceed 50% of the income tax liability. Any excess credit will not be refunded, but can be carried forward for up to 5 years. In addition, the credit shall not exceed \$2,500 per employee per year. The job training and retraining tax credit should be in addition to all other tax credits granted by the laws of this state. The repeal date on this provision is extended to July 1, 2016.

Reforestation Tax Credit (RTC) (10)

This credit, based on the costs incurred for certain approved reforestation practices, is an amount equal to the lesser of 50% of the actual cost of approved practices or 50% of the average cost of approved practices as established by the Mississippi Forestry Commission. In any taxable year, the maximum amount of RTC shall not exceed the lesser of \$10,000 or the amount of income tax imposed upon the eligible owner for the taxable year reduced by the sum of all other credits allowable to the eligible owner. The lifetime maximum reforestation tax credit that an eligible owner may utilize is \$10,000 in the aggregate. Effective January 1, 2007, the lifetime maximum RTC that an eligible owner may utilize is \$75,000.00. Any unused portion of the RTC may be carried forward to succeeding years. Reforested acreage on which the eligible owner receives any state or federal cost share assistance funds to defray the cost of an approved

reforestation practice is not eligible for the RTC. The RTC is not available to private corporations which manufacture products or provide public utility services of any type or any subsidiary of such corporations.

Gambling License Fee Credit (11)

An income tax credit provided to the licensee that paid a license fee which is based on gross revenues of the licensee. The credit can offset 100% of income tax due. No carryover is allowed for this credit.

Mississippi Business Finance Corporation Revenue Bond Service Credit (13)

Only debt service paid on revenue bonds issued by the Mississippi Business Finance Corporation to finance economic development projects to induce the location of manufacturing facilities within this state can be taken as a credit. This credit can be used against the taxes due from the income generated by or arising out of the economic development project. Effective January 1, 2014, Senate Bill 2376 amends Miss. Code Ann. §57-10-401 to revise the term "Economic Development Project to include the economic development project of a related approved that is merged into or consolidated with another approved company where the approved companies are engaged in a vertically integrated manufacturing or warehouse operation. For more information on the benefits of this program contact: Mississippi Development Authority, P.O. Box 849, Jackson, MS 39205-0849.

Ad Valorem Inventory Tax Credit (14)

This is an income tax credit for manufacturers, distributors and wholesale or retail merchants for a certain amount of ad valorem taxes paid on commodities, goods, wares and merchandise held for resale. The ad valorem credit may be claimed for each location where such commodities, products, goods, wares and merchandise are found and upon which the ad valorem taxes have been paid. The tax credit for each location on which ad valorem taxes have been paid, should not exceed the lesser of \$5,000 or the amount of income taxes attributable to such location. Previously, the credit may be claimed only in the year in which the ad valorem taxes are paid; however, Senate Bill 2934 amended Miss. Code Ann. §27-7-22.5 increasing the income tax credit for ad valorem taxes paid on certain inventory and authorizes any unused tax credit claimed to be carried forward for five (5) consecutive years effective July 1, 2012.

Effective January 1, 2014, House Bill 787 amends Miss. Code Ann. §27-7-22.5 to provide an income tax credit for ad valorem taxes paid on rental equipment. Rental equipment is defined as any rental equipment or other rental items which are held for short-term rental to the public under rental agreements that are not subject to privilege taxes. The bill also provides for the amount of credit to increase each year until the 2016 taxable year in which the amount of the credit will be limited to the lesser of the amount of ad valorem taxes paid or the amount of income taxes due for each location. Any ad valorem taxes paid by a taxpayer that is applied toward the tax credit may not be used as a deduction by the taxpayer for state income tax purposes.

A copy of the tax receipt from the county that shows the inventory valuation and a schedule showing the calculation of the ad valorem tax paid based on the valuation must be attached to the return.

Export Port Charges Credit (15)

An income tax credit is authorized for taxpayers that utilize the port facilities at state, county, or municipal ports. The income tax credit is equal to the total export cargo charges paid by the taxpayer for: (a) receiving in the port; (b) handling to a vessel; and (c) wharfage. The credit provided should not exceed 50% of the amount of tax imposed upon the taxpayer for the taxable year reduced by the sum of all other credits. Any unused portion of the credit may be carried forward for the succeeding 5 years. The maximum cumulative credit that may be claimed by a taxpayer pursuant to this act beginning January 1, 1994 and ending December 31, 2005 is limited to \$1,200,000.

Import Port Charges Credit (17)

An income tax credit is authorized for taxpayers that utilize the port facilities at state, county, or municipal ports for the import of cargo. To be eligible, a taxpayer must locate its United States headquarters in Mississippi on or after January 1, 2005, employ at least 5 permanent full-time employees who actually work at such headquarters and have a minimum capital investment of \$5,000,000.00 in Mississippi. The income tax credit is equal to the charges paid by the taxpayer for: (a) receiving in the port; (b) handling to a vessel; and (c) wharfage. The credit provided shall not exceed 50% of the amount of tax imposed upon the taxpayer for the taxable year reduced by the sum of all other credits. Any unused portion of the credit may be carried forward for the succeeding 5 years. The maximum cumulative credit that may be claimed ranges between \$1,000,000 and \$4,000,000 depending on the number of permanent full-time employees of the taxpayer.

Broadband Technology Credit (BTC) (19)

A tax credit is provided for telecommunications enterprises making investments in equipment used in the deployment of broadband technologies. The credit applies to both income and franchise taxes. The credit is a percentage of the cost of the investments incurred after June 30, 2003 and before July 1, 2013. The percentage applied is 5%, 10%, and 15% for Tier 1, Tier 2, & Tier 3 counties respectively. For more details on eligibility, computation of the credit, qualifying expenditures, limitations, carryovers, as well as any necessary forms or work sheets, please contact the Corporate Tax Division at 601-923-7099. Enterprises qualifying for this credit are able to receive certain sales tax exemptions as well. For more information please contact the Sales Tax Bureau at 601-923-7015.

Manufacturing Investment Tax Credit (23)

A manufacturing enterprise who falls within the definition of the term "manufacturer" in Miss. Code Ann. § 27-65-11 and has operated in the state for at least 2 years is allowed a manufacturing investment tax credit for income tax equal to 5% of the eligible investments made by the manufacturing enterprise. "Eligible investment" means an investment of at least \$1,000,000.00 in buildings and/or equipment for the manufacturing enterprise.

The maximum credit that may be claimed by a taxpayer on any project shall be limited to \$1,000,000. The Manufacturing Investment Tax Credit should not exceed 50% of the taxpayer's state income tax liability in any 1 tax year. Any Manufacturing Investment Tax Credit claimed but not used may be carried forward for 5 years from the close of the tax year in which the eligible investment was made. For more details on eligibility, computation of the credit, qualifying expenditures, limitations, carryovers, as well as any

necessary forms or work sheets, please contact the Corporate Tax Division at 601-923-7099.

Historic Structure Rehabilitation Credit (26)

An income tax credit allowed for certain costs and expenses in rehabilitating eligible property certified as a historic structure or structure in a certified historic district. Effective January 1, 2011, if the amount of the credit exceeds \$250,000, the taxpayer may elect to claim refund in the amount of 75% of the excess credit in lieu of the 10 year carryforward. The refund will be paid in equal installments over a 2 year period. Not-for-profit entities are not eligible for this credit. Effective July 1, 2014, House Bill 787 amends Miss. Code Ann. §27-7-22.31 to extend the qualifying date of this credit to December 31, 2017.

New Markets Credit (28)

The New Markets Credit allows a credit for income, insurance premium, or premium retaliatory taxes to investors in eligible equity securities issued by a Qualified Community Development Entity that has entered into an allocation agreement with the Community Development Financial Institutions Fund of the U.S. Treasury Department (CDFI) with respect to federal income tax credits authorized by the Federal NMTC Law, which includes the state of Mississippi in the service area outlined in such agreement. This Qualified Community Development Entity is commonly referred to as a "CDE".

The CDE must use 85% or more of the proceeds of the issuance of the equity security to make investments that are Mississippi Qualified Low-Income Community Investments (MQLICs), and those investments must be maintained for a minimum of 7 years. A MQLIC is an investment in Mississippi in a business that meets the requirements of a Qualified Active Low-Income Community Business (QALICB) or an investment in Mississippi approved as a Qualified Low Income Community Investment under the Federal New Markets Tax Credit law. A security meeting these requirements is commonly referred to as a "QEI".

MDA will review the QEI to determine if it qualifies for the Mississippi New Markets Credit. If the QEI does qualify, MDA will issue a certification of credits allowed. The total Mississippi New Markets Credit for all Mississippi taxpayers is capped at \$15,000,000 per year.

Wildlife Land Use Credit (30)

Effective January 1, 2010, a state income tax credit is allowed that provides a \$5.50 per acre tax credit for certain taxpayers that allow land to be used as a natural area preserve, wildlife refuge, wildlife management area or public outdoor recreation area. Land must first be approved to be suitable for the uses listed above by the Mississippi Commission on Wildlife, Fisheries and Parks. Any unused credit amount may be carried forward for five (5) years from the close of the taxable year in which the land was approved for such a use.

Bank Share Credit (50)

The Bank Share Credit is a franchise tax credit that equals the amount of ad valorem taxes paid by banks on the assessed value of its intangibles to any county, district or municipality. The credit can offset 100% of franchise tax due. No carryover is allowed for this credit.

General Restrictions on Incentive Credits

The only credits whose usage is dependent on another credit are the Export Port Charges Credit, Import Port Charges Credit and the Reforestation Tax Credit (RTC). The RTC should be used last.

The total of the Jobs Tax Credit, the Headquarters Credit and the R & D Skills Credit, cannot exceed 50% of the total income tax due. The other credits are not limited in such a manner and their usage will be independent of one another. When one credit is limited to 50% of the income tax due and another one is also limited to 50% when combined they may offset 100% of the income tax due. It will be up to the taxpayer to list which credits are to be used on the tax return. Please keep in mind that a number of the credits do not have carry forward provisions. When a deduction on the Mississippi tax return also gives rise to a tax credit, the amount of that credit which is being used on the current return must be added back to Mississippi income (loss) after any apportionment of income.

The adding back of the credit to taxable income will increase the tax liability, which may increase the amount of credit that may be taken. When this is the case, continue to increase the amount of credit being used and add back to income until there is a difference of \$1,000.00 or less between the two. Therefore, the credit added back may be, at most, \$1,000.00 less than the credit being used.

Some credits are based on a percentage of an expense, and in this case only the credit used should be added back. Those credits which are affected are: Finance Company Privilege, Child/Dependent Care, Skills Training, Gaming, Rural Economic Development (RED), Export Port Charges, Import Port Charges, Reforestation, and Ad Valorem tax credits.

The credits allowed should not be used by any business enterprise or corporation other than the business enterprise actually qualifying for the credit.

Growth and Prosperity (GAP) Areas Tax Exemption

The Growth and Prosperity (GAP) Areas Tax Exemption was created to encourage businesses to locate facilities and hire individuals in areas that have a certain percentage of the population below the federal poverty level or have an unemployment rate that is 200% of the state's average unemployment rate.

The income and franchise tax exemption is available for a period of 10 years for certain businesses locating in a designated GAP area. The eligible businesses include ones that manufacture, process, assemble, store, warehouse, service, distribute, sell any products or goods including products of agriculture, research and development, and others as determined by MDA which will create at least 10 jobs.

Businesses that cannot claim the exemption are retail establishments, gaming businesses or casinos and electrical generation facilities. An eligible business that constructs a new facility or expands an existing facility located in one of the designated GAP areas can apply to MDA to be exempted from state and local taxes for a period of 10 years or until December 31, 2022, whichever occurs first.

A business that relocates from a county in Mississippi to a GAP Area is not eligible for the exemption. When filing the state income and franchise tax return claiming the exemption, attach a schedule showing the calculation of how the exemption was calculated, a copy of the certification from the MDA and the completed application, and the Income and Franchise Tax Credit Summary (Form 83-401) showing all credits taken.

The GAP Area Exemption is authorized under Miss. Code Ann. § 27-7-21, § 27-13-5 and § 57-80-1 through § 57-80-11. For more information on the GAP Areas, please contact Mississippi Development Authority, Financial Resources Division – GAP Program at P.O. Box 849, Jackson, MS 39205.

SPECIFIC INSTRUCTIONS

FORM 83-105

TAXPAYER INFORMATION

Please provide all information requested. Enter the county code corresponding to your principal business location (see Appendix for a list of the codes).

FRANCHISE TAX

Line 1: Enter the amount of taxable capital from Form 83-110, line 19.

Line 2: Enter the amount of franchise tax due. The franchise tax rate is \$2.50 per \$1,000 of the taxable capital (**minimum tax of \$25**).

Line 3: Enter the total amount of credit claimed from Form 83-401, line 1.

Line 4: Enter the net franchise tax due (line 2 minus line 3). If line 3 equal or exceeds the amount shown on line 2, enter a zero.

INCOME TAX

If filing a combined return, enter the name and Federal Employer Identification Number of the Reporting Corporation.

Each corporation included in the combined return must file its own separate return (except for Reporting Corporation) on which it computes and remits its franchise tax, and also computes its Mississippi taxable income. The taxable income (loss) computed by each corporation is then combined on the Reporting Corporation's return (Form 83-310). The Reporting Corporation must file a return that includes its own franchise tax and the combined income.

Line 5: If a corporation is not included in a combined return, enter the amount of Mississippi net taxable income from line 30 of Form 83-122. If a combined return is filed, enter zero, **except the Reporting Corporation**, which enters the combined group's Mississippi net taxable income from Form 83-310, line 5, column C. If the total in column C is negative, enter zero.

Line 6: Enter the amount of income tax due. The rates of tax are: 3% on the first \$5,000 of taxable income; 4% on the next \$5,000 of taxable income; and 5% on taxable income in excess of \$10,000.

Line 7: Enter the total amount of credit claimed from Form 83-401, line 3. For limitations, see the General Restrictions on Incentive Credits Section of this booklet.

Line 8: Enter the net income tax due (line 6 minus line 7). If line 7 equals or exceeds the amount shown on line 6, enter a zero.

PAYMENTS AND TAX DUE

Line 9: Enter the total franchise and income tax due (add line 4 plus line 8).

Line 10: Enter the amount of overpayment from the previous filed return. The overpayment from the prior year should be the amount shown on the previous return as an overpayment to be credited to the next year.

Line 11: Enter the total amount of estimated tax payments and payment with extension. This amount should equal the total of quarterly estimated income tax payments and the amount paid with the request for an automatic six-month extension of time to file.

Line 12: Enter the total amount of previous payments made for the tax year (line 10 plus line 11).

Line 13: Enter the net total franchise and income tax due. This is the amount of total tax due less previous payments (line 9 minus line 12).

Line 14: If the current Mississippi income tax liability (line 8) is \$200 or less, then estimated income tax payments were not required for this year. If the current year Mississippi income tax liability exceeded \$200, Form 83-305 should be completed and attached to the return. Enter on this line the amount shown on Form 83-305, line 17.

Line 15: Enter the amount of interest due on late payment of tax. An extension of time only extends the time for filing a return, not payment of the tax. If the income and franchise tax is not paid by the original due date

of the return, then interest is due at the rate of 9/10 of 1% per month.

Line 16: Enter the amount of penalty due on late payment of tax. An extension of time only extends the time for filing a return, not the payment of tax. The penalty imposed for failure to pay the tax when due is 1/2% per month, not to exceed 25% in the aggregate.

Line 17: Enter the amount of penalty due for failure to file a return by the due date of the return. The penalty for failure to file a return is 5% per month not to exceed 25% in the aggregate. The penalty imposed for failure to file is based on the additional amount of tax due. Such failure to file penalty shall not be less than \$100 for income tax.

Line 18: Enter the balance of tax due (if line 9 is larger than line 12). This is the amount of total tax due less previous payments plus interest and penalties (add line 13 through line 17).

Line 19: Enter the amount of overpayment, if any (line 12 minus line 9).

Line 20: Enter the portion of line 19 that you wish to carry forward and credit against your next year's tax liability. This credit will be considered for estimated income tax purposes as a first quarter payment.

Line 21: Enter the portion of line 19 that you wish to be refunded. The total of line 20 and line 21 should equal line 19.

FORM 83-122

Taxpayers must make certain adjustments to federal taxable income in arriving at Mississippi net income. This schedule highlights some of the differences but is not an all-inclusive list. The Mississippi Administrative Code and Regulations are available at our web site www.dor.ms.gov.

Multistate construction contractors and producers of mineral or natural resource products are required to use direct accounting and file Form 83-124. In this situation, lines 1 through 22 of this form are not completed unless the taxpayer also has income apportionable to this state from another line of business.

For a certain major medical or pharmaceutical supplier of a Mississippi distribution facility, the apportionment percentage shall be computed by adding together a payroll factor which shall be counted twice, property factor which is counted twice and sales factor which is counted once, then divide the sum by five.

Lines 17, 18, 19 of this form do not apply to taxpayers doing business only in Mississippi.

Line 1: Enter the amount of taxable income (loss) (before net operating loss and special deductions) per federal Form 1120.

Line 2: Enter the amount of state, local and foreign government income taxes claimed as a deduction on Form 1120.

Line 3: Enter the amount of interest on obligations of states and political subdivisions thereof (other than Mississippi) received by the corporation, net of expenses.

Line 4: Enter the amount of depletion claimed on Form 1120 in excess of the cost basis of the asset on which the depletion is claimed.

Line 5: Enter the amount of any capital loss carryover claimed in computing federal taxable income. Capital loss carryovers, just as net operating losses, must be computed separately for Mississippi tax purposes.

Line 6: Enter the amount of special depreciation allowance claimed for federal tax purposes. Federal Form 4562 must be completed twice and attached immediately after Form 83-122.

The first submission reflects the deductions taken for federal income tax purposes. The second submission will be labeled Mississippi at the top of the form and will compute the apportionable and/or allocable depreciation deduction without taking into account any special depreciation allowance (generally line 14 of Federal Form 4562).

Any difference between the two submissions resulting from the special depreciation allowance is reported as an increase on this line. Any additional depreciation expense, for purposes of this state, due to the basis adjustment not being made is reported on line 13 of this form.

Line 7: Enter any other additions required by law. Other additions include, but are not limited to, 1) charitable contribution carryovers, 2) unrecognized installment sale gains, and 3) add back of intangible expenses and costs and interest expenses and costs incurred with certain related members. Mississippi allows a 20% deduction for charitable contributions (as compared to 10% for federal), but does not allow a carryover of any unused contributions deduction.

For more information on treatment of installment sales, as well as the years effected, see Miss. Code Ann. §27-7-9.

Intangible expenses and costs and interest expenses and costs incurred with certain related members must be added back to income. For additional details, see Miss. Code Ann. §27-7-17(2).

Line 9: Exempt interest received on direct U. S. Government obligations (see Title 35, Part III, Subpart 02, Chapter 04 of the Miss. Admin. Code on what constitutes a direct obligation) is not taxable to Mississippi. Enter the amount of such interest reported as income on Form 1120, net of expenses.

Line 10: Enter the amount of wage expense that was not deducted on Form 1120 because a federal tax credit was taken in lieu of an expense.

Line 11: Enter the income/loss from a partnership or other flow-through entity. Flow-through entity income is allocated based on the source as determined in the

hands of the flow-through entity rather than the owner.

Line 12: Multistate construction contractors and producers of mineral or natural resource products must use direct accounting (Form 83-124) to report the income from these lines of business. Enter the income (net of expenses) from these lines of business as reported on federal Form 1120.

For further information concerning accounting methods for contractors and mineral producers see Title 35, Part III, Subpart 08, Chapter 06 of the Miss. Admin. Code for details. If this is your only line of business in Mississippi, skip lines 1 through 22 and start with line 23.

Line 13: When a special depreciation allowance is taken for federal tax purposes, the depreciable base must be reduced by the amount of the allowance. Enter the additional depreciation expense for purposes of this state due to the basis adjustment not being made for state purposes. Attach supporting computations for any amounts claimed.

Line 14: Enter any other deductions authorized by law. For each adjustment, provide an explanation of the basis for exclusion and a schedule showing how the amount is computed. In particular, gain from the sale of an interest in certain types of domestic entities may not be recognized for state purposes. If this is applicable provide a schedule showing the computation of the non-recognized gain. For more details on what qualifies for this exclusion, see Miss. Code Ann. §27-7-9(f)(10).

Line 17: Enter the amount of nonbusiness income (loss) shown on the Nonbusiness Income Worksheet, Form 83-150, column E, line 2.

Line 21: Enter the amount of nonbusiness income (loss) allocated to this state shown on the Nonbusiness Income Worksheet, Form 83-150, column F, line 2.

Line 22: Enter the amount of Mississippi sourced income (loss) received from flow-through entities (attach Mississippi K-1's).

Line 23: Enter the amount reported on Form 83-124, page 2, line 31 and/or page 2, line 46.

Line 24: Enter the amount of actual tax credit claimed on this return from the tax credits with code numbers 2 through 32 and 50. For further instructions see the General Restrictions on the Incentive Credit Section of this booklet.

Line 25: Enter the appropriate amount of separate company Mississippi capital loss carryover. The carryover deduction may not exceed the amount of current year Mississippi capital gains. Attach a completed Form 83-155 and a schedule showing how the amount of allowable capital loss was computed. Also attach Federal Form 4797, Sale of Business Property for capital loss.

Line 26: Enter other adjustments required by law including any adjustments resulting from installment sales.

Line 28: Deduct any available separate company Mississippi net operating loss carryover or carryback to the extent of income. Attach a completed Form 83-155. If the corporation has any unused net operating loss carryover or carryback, it may be able to offset the loss against income of other members of its combined group subject to limitations. Mississippi does not conform to federal net operating loss rules.

FORM 83-150

This schedule is to be completed only if the corporation has activities in another state and has income, losses, expenses, or deductions which are to be allocated ("nonbusiness") rather than apportioned.

On lines 1a through 1i, enter any nonbusiness income or losses, including gains (losses) from the disposition of nonbusiness assets. Enter any expenses associated with such income (loss) including indirect expenses (such as interest expense pro-rated to "nonbusiness" assets).

Enter in Column A each item of nonbusiness income or loss allocated to any state, including Mississippi, and the related expenses in Column C.

Enter in Column B items allocated to Mississippi, and the related expenses in Column D.

Enter the net of Columns A and C in Column E, and the net of Columns B and D in Column F.

FORM 83-155

PART I: NET OPERATING LOSS

Generally, when a corporation's Mississippi sourced items of deduction exceed its Mississippi gross income, a NOL is generated. A NOL is to be carried by the corporation to each of the two (2) taxable years preceding the year of the NOL, starting with the earliest, and then to each of the twenty (20) tax years following the year of the NOL, until the NOL is exhausted or the carryforward period expires. An exception is when, on the original return filing, the corporation elects to forgo the carryback. In this case the NOL generated is carried forward for twenty (20) years.

Column A: Enter the year end the net operating loss was generated.

Column B: Enter the amount of the net operating loss (this amount should be entered as a negative number).

Column C: Enter the year end in which the net operating loss deduction is taken. A net operating loss deduction can be carried back 2 years or carried forward 20 years.

Column D: Enter the amount of net operating loss deduction actually used to offset income.

Column E: Enter the remaining of unused net operating loss, if any (column B plus column D and enter the result as a negative number).

Line 1: Enter the total amount from column E.

Line 2: Enter the amount of net operating loss deduction currently used. Enter this amount on Form 83-122, line 28 or Form 83-391, page 2, line 16.

Line 3: Subtract line 2 from line 1 to compute the net operating loss available for carryforward.

PART II: CAPITAL LOSS

If a corporation has a net capital loss for any taxable year, the amount a capital loss deduction is allowed in the current year only to the extent of a capital gain. A net capital loss is carried back 3 years and forward 5 years.

Column A: Enter the year end the capital loss was generated.

Column B: Enter the amount of the capital loss (this amount should be entered as a negative number).

Column C: Enter the year end in which the capital loss deduction is taken. A capital loss deduction can be carried back 3 years or carried forward 5 years.

Column D: Enter the amount of capital loss deduction actually used to the capital gain. The capital loss is allowed only to the extent of the capital gain.

Column E: Enter the remaining of unused capital loss, if any (column B plus column D and enter the result as a negative number).

Line 1: Enter the total amount from column E.

Line 2: Enter the amount of capital loss deduction currently used. Enter the amount on Form 83-122, line 25, also.

Line 3: Enter the amount of capital loss deduction currently used. Enter this amount on Form 83-122, line 25 also.

Line 4: Subtract line 2 from line 1 to compute the capital loss available for carryforward.

FORM 83-305

Every corporate taxpayer with an annual income tax liability in excess of two hundred dollars (\$200) must make estimated tax payments. These estimated tax payments must not be less than ninety percent (90%) of the annual income tax liability. Any taxpayer who fails to file an estimated tax return and pay the tax within the time prescribed or underestimates the required amount shall be liable for penalty of ten percent (10%) plus interest at 9/10 of 1% per month on underpayment of tax from payment due date until paid or next payment due date, whichever is earlier.

Line 1: Enter the amount of current year income tax due from Form 83-105, line 8. If the taxpayer is considered a small corporation and the prior year income tax liability is smaller than the current year

income tax liability, enter the prior year amount on this line and skip line 2.

Line 2: Multiply line 1 by 90% (**not applicable if using the prior year income tax liability**).

Line 3: Enter the amount of required estimate payment per quarter by dividing line 2 by four. If using the prior year income tax liability, divide line 1 by four.

Line 4: Enter the appropriate months of the corporation's tax year in column (a) through column (d).

Line 5: Enter the amount from Part 1, line 3 in each column. The cumulative total should not be less than 90% of the income tax due for the year.

Line 6: Enter the actual amount of estimated tax paid each quarter.

Line 7: Enter in column (a) any overpayment from the previous year. Enter any excess from the previous quarter(s), line 7, in column (b) through column (d).

Line 8: Subtract line 5 from line 6 and line 7 and enter the amount in column (a). If the result is negative (overpayment), enter zero and carry the overpayment amount (positive) in the next quarter(s), line 7, column (b) through column (d).

Line 9: Multiply line 8 by 10%. If negative, enter zero.

Line 10: Enter the cumulative amount from line 5.

Line 11: Enter the cumulative amount of estimated taxes paid plus any overpayment from the prior year (line 6 plus line 7).

Line 12: Subtract line 10 from line 11. (If the result is negative, enter zero).

Line 13: Enter the interest rate in column (a) through column (d). Compute interest at the rate of 9/10 of 1% per month from the payment due date until paid or until the next payment due date, whichever is earlier.

Line 14: Multiply line 12 by line 13.

Line 15: Enter the amount of penalty from line 9, column (a) through column (d).

Line 16: Enter the amount of interest from line 14, column (a) through column (d).

Line 17: Enter the total amount of underestimate interest and penalty due (line 15 plus line 16) on this line and on Form 83-105, page 1, line 14.

FORM 83-310

An "affiliated group" of corporations may elect to file on a combined basis for purposes of the income tax provided the requirements of Title 35, Part III, Subpart 08, Chapter 07 are met. The term combined is used to indicate an election where the separately computed net income/loss of a group of

affiliated corporations is summed in order to determine the net income subject to tax.

The reporting corporation of a combined income group will file Form 83-310, Summary of Net Income of Corporations, as a part of its combination return filing (in addition to the computation of the reporting corporation's separate company income/loss). The combined net income/loss computed on Form 83-310 will be entered on line 5 of Form 83-105.

Column A: Enter the name and FEIN of the Reporting Corporation on line 1 and the name and FEIN of the Subsidiary Corporations on line 2.

Column B: Enter the credit code and the amount of credit claimed (the codes are in the Appendix of this booklet). Tax credits can only be claimed by the corporation earning the credit and may not be used to offset the income tax liability of another member of the group.

Column C: Enter the amount of income (loss) from Form 83-122, line 30.

Line 3: Enter the total of credit amounts from column B, lines 1 and 2 and the total of net taxable income (loss) from column C.

Line 4: If applicable, enter the total of column B and column C from any supplemental pages from Form 83-310.

Line 5: Enter the sum of line 3 and line 4 on this line. Enter the sum from column B on Form 83-105, page 1, line 7 or Form 83-391, line 4, page 1. Enter the total from column C on Form 83-105, page 1, line 5 or Form 83-391, page 1, line 1. If the total in column C is negative, enter zero on Form 83-105, page 1, line 5 or Form 83-391, page 1, line 1.

INSURANCE COMPANIES

Form 83-391 is designed for foreign and domestic companies, including class B burial companies, writing life, accident and health, fire and casualty insurance. Title insurance companies and class A burial insurance companies should use the regular corporation Form 83-105.

The income tax law permits foreign non-life insurance companies to determine their Mississippi net income from underwriting by apportioning their company-wide net underwriting income. See Title 35, Part III, Subpart 10, Chapter 03 of the Miss Administrative Code.

Companies using this method should disregard pages 2, 3 and 4 of the return in computing Mississippi income from underwriting and prepare a separate schedule. However, such companies reporting investment income to this state may use said pages in making this computation, if convenient.

The following instructions are applicable to companies determining their Mississippi income by the direct accounting method and should be used in conjunction with the regulations.

INSURANCE COMPANIES – COMBINED FILINGS

Insurance companies may file a combined return if the affiliated companies in the combined group are filing Form 83-391. However, insurance companies or corporations that file Form 83-105 cannot be included in the combined return. Attach Summary of Net Income Schedule, Form 83-310, if filing combined return.

Page 2 – COMPUTATION OF NET INCOME

All Companies: See Title 35, Part III, Subpart 10, Chapter 03 for what constitutes taxable Mississippi reinsurance assumed and deductible Mississippi reinsurance ceded; Mississippi investment and other income; and for the computation of Mississippi unearned premiums when same are not accounted for specifically.

Life Insurance Companies: All lines are applicable except that lines 2, 6, and 10 will apply only to life companies writing accident and health insurance. Direct premiums less return premiums on page 2, line 1 should reflect Mississippi values.

Accident and Health Insurance Companies: Disregard lines 1, 4, and 5. Report unearned premiums on lines 6 and 10 unless the increase is shown on page 3, line 12.

Fire and Casualty Insurance Companies: Disregard lines 2, 4, and 5.

Page 3 – EXPENSE APPORTIONMENT RATIOS

These ratios are to be used in apportioning non-allocable expenses. The ratio shown on line 1 is to be used only by fire and casualty companies in apportioning non-allocable loss adjustment expenses entered on page 4, line 20.

Line 2 is applicable to life companies and fire and casualty companies and is to be used in apportioning non-allocable expenses on page 4. Life companies writing accident and health insurance must separately apportion non-allocable accident and health expenses on a supplementary page 4 by using the accident and health ratio shown on line 2.

All companies reporting investment income to Mississippi must separately apportion non-allocable investment expenses on a supplementary page 4 by using the investment ratio shown on line 4.

Page 3 – DEDUCTIONS

Life Companies: The descriptive language on line 12 follows the language of the statute. The words "reserve funds" have been construed by the commissioner as being synonymous with the word "reserves."

The increase in reserves must be reduced by the increase in net deferred and uncollected premiums if the latter increase has not been included in premium income. The increase in reserves must be reduced by any additions in excess of the amount required by the insurance laws and may be increased

by excess reserves released on terminations if said excess was not deducted from income when established.

All Companies: Losses and contract benefits on reinsurance assumed are deductible only if the premium income thereon has been reported. Losses and contract benefits must be reduced by recoveries on reinsurance ceded if said reinsurance has been deducted from income. State and federal income taxes are not deductible under the statute. Payroll taxes should be allocated on line 15 if the corresponding salaries are allocated.

Accident and Health Companies – Disregard lines 7 through 11. Do not show on line 12 any increase in unearned premiums reflected on page 2.

Fire and Casualty Companies – Disregard lines 7 through 12.

Pages 2 and 3 – COMPANY- WIDE COLUMNS

Entries in these columns should be made on a net basis that is, giving full effect to reinsurance assumed and ceded.

Company-wide allocable expenses should be entered on page 3 even though a corresponding entry is not made in the Mississippi column. Such entries should be made in order that same may be compared with entries in column B on page 4.

PAGE 4 – DEDUCTIONS APPORTIONED

A separate schedule must be completed for each department for which a part of the income is reported to this state. A life company reporting no accident and health or investment income to this state may not deduct accident and health or investment expense from Mississippi income but should work only from column (1), page 9 of the Annual Statement. Fire and casualty companies reporting no investment income to this state should work only from column (2), page 10 of the Annual Statement, since loss adjustment expenses are provided for on page 3 of this return. Expense items which are allocable in their entirety, such as premium taxes, should not be entered on page 4 but should appear only on page 3.

DISTRICT OFFICES

Brookhaven District Service Office
P.O. Box 3999, Brookhaven, MS 39603-7999
1385 Johnny Johnson Dr.
Ph: (601) 833-4761
Fax: (601) 833-3096

Greenwood District Service Office
P.O. Drawer D, Greenwood, MS 38935-0420
117 B Grand Blvd.
Ph: (662) 453-1742
Fax: (662) 453-7981

Gulf Coast District Service Office
1141 Bayview Ave., Ste. 400
Biloxi, MS 39530-1601
Ph: (228) 436-0554
Fax: (228) 436-0964

Hattiesburg District Service Office
P.O. Box 1709, Hattiesburg, MS 39403-1709
17 JM Tatum Industrial Dr, Ste. 2
Ph: (601) 545-1261
Fax: (601) 584-4051

Jackson District Service Office
P.O. Box 1033, Jackson, MS 39215-1033
500 Clinton Center Drive, Clinton, MS 39056
Ph: (601) 923-7300
Fax: (601) 923-7318

Meridian District Service Office
P.O. Box 5794, Meridian, MS 39302
900 Hwy. 19 South Meridian, MS 39301
Ph: (601) 483-2273
Fax: (601) 693-2473

Senatobia District Service Office
P.O. Box 127, Senatobia, MS 38668
2778 HWY 51 South
Ph: (662) 562-4489
Fax: (662) 562-7392

Tupelo District Service Office
P.O. Box 3000, Tupelo, MS 38803
2610 Traceland Dr. Tupelo, MS 38801
Ph: (662) 842-4316
Fax: (662) 842-5041

APPENDIX

COUNTY CODES

COUNTY	CODE	COUNTY	CODE	COUNTY	CODE
Adams	01	Itawamba	29	Pike	57
Alcorn	02	Jackson	30	Pontotoc	58
Amite	03	Jasper	31	Prentiss	59
Attala	04	Jefferson	32	Quitman	60
Benton	05	Jefferson-Davis	33	Rankin	61
Bolivar	06	Jones	34	Scott	62
Calhoun	07	Kemper	35	Sharkey	63
Carroll	08	Lafayette	36	Simpson	64
Chickasaw	09	Lamar	37	Smith	65
Choctaw	10	Lauderdale	38	Stone	66
Claiborne	11	Lawrence	39	Sunflower	67
Clarke	12	Leake	40	Tallahatchie	68
Clay	13	Lee	41	Tate	69
Coahoma	14	Leflore	42	Tippah	70
Copiah	15	Lincoln	43	Tishomingo	71
Covington	16	Lowndes	44	Tunica	72
Desoto	17	Madison	45	Union	73
Forrest	18	Marion	46	Walthall	74
Franklin	19	Marshall	47	Warren	75
George	20	Monroe	48	Washington	76
Greene	21	Montgomery	49	Wayne	77
Grenada	22	Neshoba	50	Webster	78
Hancock	23	Newton	51	Wilkinson	79
Harrison	24	Noxubee	52	Winston	80
Hinds	25	Oktibbeha	53	Yalobusha	81
Holmes	26	Panola	54	Yazoo	82
Humphreys	27	Pearl River	55	Out-of-State	83
Issaquena	28	Perry	56		

TAX CREDIT CODES

CODE	CREDIT	CODE	CREDIT
02*	Premium Retaiatory	18	Land Donation
03*	Finance Company Privilege	19	Broadband Technology
04*	Advanced Technology / Enterprise Zone	21	Brownfield Credit
05	Jobs Tax	22	Airport Cargo Charges
06	National or Regional Headquarters	23	Manufacturer's Investment Tax Credit
07	Research and Development Skills	24	Alternative Energy Jobs
08	Employer Child / Dependent Care	25	Child Adoption
09	Basic Skills Training or Retraining	26	Historic Structure Rehabilitation
10	Reforestation	27*	Long Term Care
11*	Gambling License Fee	28	New Markets
12*	Financial Institution Jobs	29	Biomass Energy Investment
13	Mississippi Revenue Bond Service	30	Wildlife Land Use
14	Ad Valorem Inventory	31	Prekindergarten Credit
15	Export Port Charges	32	Headquarters Relocation Credit
16	Insurance Guaranty	50*	Bank Share
17	Import Credit		

* Carryover not available