

OTHER MISSISSIPPI TAXES

Withholding of Personal Income Tax

Mississippi levies a tax on individual income in the state, as required in §27-7-5 of the Mississippi Code. Income tax is assessed at the same rate for individuals as it is for business entities. Employers are statutorily required to withhold Mississippi personal income tax from its employees and remit these withholdings directly to the Mississippi State Tax Commission. This tax is a deduction from the employee's wages, and does not require a contribution from the employer. Specific registration, withholding, and filing requirements can be obtained from the Mississippi State Tax Commission.

State Unemployment Compensation Tax

Mississippi levies an unemployment compensation tax on the first \$7,000 of an employee's annual wages, as provided for in Mississippi Code §71-5-1 et seq. The maximum contribution rate for employers is 5.4%, with the minimum rate equaling 0.9%. Both the state minimum rate and the business's rate vary from year to year. New employers in the state are assigned an initial rate of 2.7% of wages until the Mississippi Department of Employment Security can compute an actual experience rate for the employer. Rates are recalculated each October and apply to the following year's wages. Rates are adjusted after two to three years of Mississippi filings, depending upon what time of year the employer begins reporting.

Worker's Compensation

Mississippi employers with five or more employees are required to purchase worker's compensation coverage through an insurance carrier, or they must qualify with the Mississippi Worker's Compensation Commission as a self-insurer.

The compensation is about two-thirds of the claimant's average weekly wages for up to 450 weeks, not including medical payments. These amounts are indexed on an annual basis.

Additional Information

For additional information on these incentives, along with specific requirements related to applying for the incentives, visit the Mississippi State Tax Commission's website at www.mstc.state.ms.us, and select *Tax Incentives* from the *Reference* column.

**The company must meet minimum criteria set forth by state statute and the rules and regulations of the Mississippi Development Authority, Mississippi Business Finance Corporation, Mississippi State Tax Commission, and local governing authorities to receive these credits/exemptions/incentives*

Mississippi Average Annual Salaries for Calendar Year 2004

County	Average Annual Salary	110% of Average Annual Salary	125% of Average Annual Salary	150% of Average Annual Salary	175% of Average Annual Salary	200% of Average Annual Salary
State Average	\$28,004.00	\$30,804.40	\$35,005.00	\$42,006.00	\$49,007.00	\$61,608.80
Adams	\$24,569.00	\$27,025.90	\$30,711.25	\$36,853.50	\$42,995.75	\$54,051.80
Alcorn	\$27,011.00	\$29,712.10	\$33,763.75	\$40,516.50	\$47,269.25	\$59,424.20
Amite	\$23,063.00	\$25,369.30	\$28,828.75	\$34,594.50	\$40,360.25	\$50,738.60
Attala	\$22,339.00	\$24,572.90	\$27,923.75	\$33,508.50	\$39,093.25	\$49,145.80
Benton	\$25,147.00	\$27,661.70	\$31,433.75	\$37,720.50	\$44,007.25	\$55,323.40
Bolivar	\$25,183.00	\$27,701.30	\$31,478.75	\$37,774.50	\$44,070.25	\$55,402.60
Calhoun	\$22,242.00	\$24,466.20	\$27,802.50	\$33,363.00	\$38,923.50	\$48,932.40
Carroll	\$21,162.00	\$23,278.20	\$26,452.50	\$31,743.00	\$37,033.50	\$46,556.40
Chickasaw	\$24,730.00	\$27,203.00	\$30,912.50	\$37,095.00	\$43,277.50	\$54,406.00
Choctaw	\$28,240.00	\$31,064.00	\$35,300.00	\$42,360.00	\$49,420.00	\$62,128.00
Claiborne	\$42,474.00	\$46,721.40	\$53,092.50	\$63,711.00	\$74,329.50	\$93,442.80
Clarke	\$22,490.00	\$24,739.00	\$28,112.50	\$33,735.00	\$39,357.50	\$49,478.00
Clay	\$27,274.00	\$30,001.40	\$34,092.50	\$40,911.00	\$47,729.50	\$60,002.80
Coahoma	\$25,984.00	\$28,582.40	\$32,480.00	\$38,976.00	\$45,472.00	\$57,164.80
Copiah	\$23,954.00	\$26,349.40	\$29,942.50	\$35,931.00	\$41,919.50	\$52,698.80
Covington	\$21,944.00	\$24,138.40	\$27,430.00	\$32,916.00	\$38,402.00	\$48,276.80
Desoto	\$27,347.00	\$30,081.70	\$34,183.75	\$41,020.50	\$47,857.25	\$60,163.40
Forrest	\$28,906.00	\$31,796.60	\$36,132.50	\$43,359.00	\$50,585.50	\$63,593.20
Franklin	\$25,285.00	\$27,813.50	\$31,606.25	\$37,927.50	\$44,248.75	\$55,627.00
George	\$23,287.00	\$25,615.70	\$29,108.75	\$34,930.50	\$40,752.25	\$51,231.40
Greene	\$22,947.00	\$25,241.70	\$28,683.75	\$34,420.50	\$40,157.25	\$50,483.40
Grenada	\$26,723.00	\$29,395.30	\$33,403.75	\$40,084.50	\$46,765.25	\$58,790.60
Hancock	\$31,405.00	\$34,545.50	\$39,256.25	\$47,107.50	\$54,958.75	\$69,091.00
Harrison	\$26,506.00	\$29,156.60	\$33,132.50	\$39,759.00	\$46,385.50	\$58,313.20
Hinds	\$33,579.00	\$36,936.90	\$41,973.75	\$50,368.50	\$58,763.25	\$73,873.80
Holmes	\$23,504.00	\$25,854.40	\$29,380.00	\$35,256.00	\$41,132.00	\$51,708.80
Humphreys	\$19,345.00	\$21,279.50	\$24,181.25	\$29,017.50	\$33,853.75	\$42,559.00
Issaquena	\$20,480.00	\$22,528.00	\$25,600.00	\$30,720.00	\$35,840.00	\$45,056.00
Ittawamba	\$24,860.00	\$27,346.00	\$31,075.00	\$37,290.00	\$43,505.00	\$54,692.00
Jackson	\$32,750.00	\$36,025.00	\$40,937.50	\$49,125.00	\$57,312.50	\$72,050.00
Jasper	\$25,241.00	\$27,765.10	\$31,551.25	\$37,861.50	\$44,171.75	\$55,530.20
Jefferson	\$22,124.00	\$24,336.40	\$27,655.00	\$33,186.00	\$38,717.00	\$48,672.80
Jefferson Davis	\$22,035.00	\$24,238.50	\$27,543.75	\$33,052.50	\$38,561.25	\$48,477.00
Jones	\$27,454.00	\$30,199.40	\$34,317.50	\$41,181.00	\$48,044.50	\$60,398.80
Kemper	\$21,055.00	\$23,160.50	\$26,318.75	\$31,582.50	\$36,846.25	\$46,321.00
Lafayette	\$28,083.00	\$30,891.30	\$35,103.75	\$42,124.50	\$49,145.25	\$61,782.60
Lamar	\$23,752.00	\$26,127.20	\$29,690.00	\$35,628.00	\$41,566.00	\$52,254.40
Lauderdale	\$27,571.00	\$30,328.10	\$34,463.75	\$41,356.50	\$48,249.25	\$60,656.20
Lawrence	\$33,749.00	\$37,123.90	\$42,186.25	\$50,623.50	\$59,060.75	\$74,247.80
Leake	\$20,596.00	\$22,655.60	\$25,745.00	\$30,894.00	\$36,043.00	\$45,311.20
Lee	\$31,456.00	\$34,601.60	\$39,320.00	\$47,184.00	\$55,048.00	\$69,203.20
Leflore	\$25,428.00	\$27,970.80	\$31,785.00	\$38,142.00	\$44,499.00	\$55,941.60
Lincoln	\$26,480.00	\$29,128.00	\$33,100.00	\$39,720.00	\$46,340.00	\$58,256.00

Leake County Development Association
601-267-7161

County	Average Annual Salary	110% of Average Annual Salary	125% of Average Annual Salary	150% of Average Annual Salary	175% of Average Annual Salary	200% of Average Annual Salary
Lowndes	\$27,811.00	\$30,592.10	\$34,763.75	\$41,716.50	\$48,669.25	\$61,184.20
Madison	\$30,728.00	\$33,800.80	\$38,410.00	\$46,092.00	\$53,774.00	\$67,601.60
Marion	\$23,037.00	\$25,340.70	\$28,796.25	\$34,555.50	\$40,314.75	\$50,681.40
Marshall	\$24,807.00	\$27,287.70	\$31,008.75	\$37,210.50	\$43,412.25	\$54,575.40
Monroe	\$28,209.00	\$31,029.90	\$35,261.25	\$42,313.50	\$49,365.75	\$62,059.80
Montgomery	\$20,066.00	\$22,072.60	\$25,082.50	\$30,099.00	\$35,115.50	\$44,145.20
Neshoba	\$25,579.00	\$28,136.90	\$31,973.75	\$38,368.50	\$44,763.25	\$56,273.80
Newton	\$24,558.00	\$27,013.80	\$30,697.50	\$36,837.00	\$42,976.50	\$54,027.60
Noxubee	\$22,680.00	\$24,948.00	\$28,350.00	\$34,020.00	\$39,690.00	\$49,896.00
Oktibbeha	\$26,651.00	\$29,316.10	\$33,313.75	\$39,976.50	\$46,639.25	\$58,632.20
Panola	\$24,959.00	\$27,454.90	\$31,198.75	\$37,438.50	\$43,678.25	\$54,909.80
Pearl River	\$23,092.00	\$25,401.20	\$28,865.00	\$34,638.00	\$40,411.00	\$50,802.40
Perry	\$32,883.00	\$36,171.30	\$41,103.75	\$49,324.50	\$57,545.25	\$72,342.60
Pike	\$23,276.00	\$25,603.60	\$29,095.00	\$34,914.00	\$40,733.00	\$51,207.20
Pontotoc	\$26,774.00	\$29,451.40	\$33,467.50	\$40,161.00	\$46,854.50	\$58,902.80
Prentiss	\$24,529.00	\$26,981.90	\$30,661.25	\$36,793.50	\$42,925.75	\$53,963.80
Quitman	\$21,937.00	\$24,130.70	\$27,421.25	\$32,905.50	\$38,389.75	\$48,261.40
Rankin	\$30,065.00	\$33,071.50	\$37,581.25	\$45,097.50	\$52,613.75	\$66,143.00
Scott	\$23,268.00	\$25,594.80	\$29,085.00	\$34,902.00	\$40,719.00	\$51,189.60
Sharkey	\$20,327.00	\$22,359.70	\$25,408.75	\$30,490.50	\$35,572.25	\$44,719.40
Simpson	\$20,872.00	\$22,959.20	\$26,090.00	\$31,308.00	\$36,526.00	\$45,918.40
Smith	\$27,516.00	\$30,267.60	\$34,395.00	\$41,274.00	\$48,153.00	\$60,535.20
Stone	\$24,954.00	\$27,449.40	\$31,192.50	\$37,431.00	\$43,669.50	\$54,898.80
Sunflower	\$22,316.00	\$24,547.60	\$27,895.00	\$33,474.00	\$39,053.00	\$49,095.20
Tallahatchie	\$21,179.00	\$23,296.90	\$26,473.75	\$31,768.50	\$37,063.25	\$46,593.80
Tate	\$24,263.00	\$26,689.30	\$30,328.75	\$36,394.50	\$42,460.25	\$53,378.60
Tippah	\$25,678.00	\$28,245.80	\$32,097.50	\$38,517.00	\$44,936.50	\$56,491.60
Tishomingo	\$24,386.00	\$26,824.60	\$30,482.50	\$36,579.00	\$42,675.50	\$53,649.20
Tunica	\$26,030.00	\$28,633.00	\$32,537.50	\$39,045.00	\$45,552.50	\$57,266.00
Union	\$25,388.00	\$27,926.80	\$31,735.00	\$38,082.00	\$44,429.00	\$55,853.60
Walthall	\$21,123.00	\$23,235.30	\$26,403.75	\$31,684.50	\$36,965.25	\$46,470.60
Warren	\$27,809.00	\$30,589.90	\$34,761.25	\$41,713.50	\$48,665.75	\$61,179.80
Washington	\$25,172.00	\$27,689.20	\$31,465.00	\$37,758.00	\$44,051.00	\$55,378.40
Wayne	\$24,221.00	\$26,643.10	\$30,276.25	\$36,331.50	\$42,386.75	\$53,286.20
Webster	\$21,973.00	\$24,170.30	\$27,466.25	\$32,959.50	\$38,452.75	\$48,340.60
Wilkinson	\$23,891.00	\$26,280.10	\$29,863.75	\$35,836.50	\$41,809.25	\$52,560.20
Winston	\$28,536.00	\$31,389.60	\$35,670.00	\$42,804.00	\$49,938.00	\$62,779.20
Yalobusha	\$27,707.00	\$30,477.70	\$34,633.75	\$41,560.50	\$48,487.25	\$60,955.40
Yazoo	\$26,415.00	\$29,056.50	\$33,018.75	\$39,622.50	\$46,226.25	\$58,113.00

County Development Designation for 2006

The state's 82 counties have been divided into three groups; Tier 1, which is comprised of the state's most developed areas, Tier 2, which contains moderately developed counties, and Tier 3, which are the state's least developed areas.

Tier Three	Tier Two	Tier One
Less Developed	Moderately Developed	More Developed
Jefferson	Monroe	Lowndes
Wilkinson	Copiah	Scott
Holmes	Pearl River	Alcorn
Claiborne	Amite	Calhoun
Noxubee	Bolivar	Grenada
Jefferson Davis	George	Leake
Benton	Humphreys	Tate
Quitman	Leflore	Union
Issaquena	Tishomingo	Simpson
Panola	Prentiss	Pontotoc
Sharkey	Wayne	Newton
Franklin	Adams	Lincoln
Tallahatchie	Stone	Itawamba
Choctaw	Clarke	Lauderdale
Sunflower	Hancock	Oktibbeha
Walthall	Jasper	Smith
Tunica	Pike	Hinds
Kemper	Harrison	Forrest
Webster	Montgomery	Lee
Greene	Coahoma	Warren
Chickasaw	Marion	Lamar
Perry	Covington	Neshoba
Marshall	Attala	Jones
Yazoo	Lawrence	Lafayette
Washington	Tippah	Rankin
Clay	Jackson	Madison
Winston	Carroll	Desoto
Yalobusha		

Notes:

* County rankings and areas receiving a GAP designation may change.

**A business entity locating in a county that has received a GAP designation and also is a Tier 3 county may choose whether to use Tier 3 or GAP incentives.

***The company must meet minimum criteria set forth by state statute and the rules and regulations of the Mississippi Development Authority, Mississippi Business Finance Corporation, Mississippi State Tax Commission, and local governing authorities to receive these credits/exemptions/incentives.