

# National or Regional Headquarters Tax Credit

National or Regional Headquarters Tax Credits are credits equal between \$500 and \$2,000 per position and can be applied to state income tax to reduce an eligible entity's corporate income tax liability. These credits are awarded to induce companies to establish a headquarters in Mississippi that includes officers and other high-level employees. Transferring or establishing a national or regional headquarters must create a minimum of thirty five qualified jobs within a one year period.

## Program Facts

National or Regional Headquarters are defined as an office or location of a multi-state business where managerial, professional, technical, and administrative personnel are domiciled and employed. Centralized functions such as financial, legal, technical, and personnel activities must be performed by the qualifying employees. The classification of personnel as headquarters employees is dependent upon duties in direct relationship to the functions of the entity, and not solely on the physical presence at the location, such as salesmen, truck drivers, janitors, etc.

The credit is awarded in the amount of \$500 per full-time employee per year for a five year period. The annual credit amount is increased to \$1,000 for each position that pays 125% of the average annual state wage, and to \$2,000 for each position that pays 200% of the average annual state wage. To receive the credits for the entire period, a minimum of thirty five full time jobs must be maintained.

These credits can be in addition to Jobs Tax Credits and the combination can be used to offset up to fifty percent of the entity's state income tax liability. Any unused credits can be carried forward up to five years.

National or Regional Headquarters Tax Credits are awarded and administered by the Mississippi State Tax Commission.

For further details, see the Mississippi Tax Incentives, Exemptions, and Credits on the State Tax Commission's website <http://www.mstc.state.ms.us/revenue/incentive/2008IncentiveBook.pdf>, or Section 57-73-21, MS Code 1972, Annotated. To request these documents or for assistance, contact the State Tax Commission at (601)923-7044 or the Financial Resources Division at [financial@mississippi.org](mailto:financial@mississippi.org) or (601)359-3552.