

Withholding Income Tax Tables And Employer Instructions



**MISSISSIPPI DEPARTMENT OF REVENUE
INCOME TAX BUREAU
PO BOX 960
JACKSON, MISSISSIPPI 39205-0960**

WWW.DOR.MS.GOV

SUMMARY

- **Employers filing 25 or more returns are required to electronically submit those to the Department of Revenue (DOR) through Taxpayer Access Point (TAP).** You may be subject to penalties if you issue more than 25 returns and do not file as required. The penalty is \$25 for the first instance of non-compliance and \$500 for each additional instance.
- Bulk filing through the FSET program (Fed/State Employment Taxes) is available. If you use a software package, it is likely your software company is participating in FSET and has the capability to transmit returns and payment information to the DOR in bulk. If so, you will not need to use TAP to file and pay.
- W-2s must be submitted in Social Security Administration (SSA) format and must contain the "RS" record for state data. See SSA [Publication EFW2](#) for record formats and specifications.
- 1099s, W-2Gs, and all other information returns must be submitted in Internal Revenue Service (IRS) format. See IRS [Publication 1220](#) for specifications and procedures.
- Employers filing less than 25 returns on paper must submit the Mississippi Annual Information Return, Form 89-140, with all W-2s and 1099s.
- All employers, regardless of the number of returns, may utilize TAP to enter and submit returns securely to the DOR. If you have any questions about online filing or the system, please review TAP "frequently asked questions" at www.dor.ms.gov. You may also contact us at 601-923-7700.

Exemptions and Deductions Schedule

Filing Status	Exemption	Standard Deduction
Single	\$6,000	\$2,300
Head-of-Family (\$8,000 + \$1,500)	\$9,500	\$3,400
Married	\$12,000	\$4,600

Income Tax Rates

Taxable Income	Tax Rate
First \$4,000	0%
Next \$1,000	3%
Next \$5,000	4%
Excess of \$10,000	5%

If you have any questions, contact Withholding Tax at the address below:

Withholding Tax
Income & Franchise Tax Bureau
Post Office Box 1033
Jackson, MS 39215-1033
601-923-7700

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INSTRUCTIONS AND EXPLANATIONS FOR MISSISSIPPI INCOME TAX WITHHOLDING

1. INTRODUCTION

The Mississippi Income Tax Withholding Law of 1968 provides for the withholding of individual income tax from all employees whose salaries and wages are taxable to this state, regardless of whether they are residents, nonresidents, or nonresident aliens.

"Income tax withholding" is the method of collecting an existing income tax in installments and does not constitute an additional tax levy. The amount to be withheld under the withholding tables is based on existing rates, the standard deduction, and statutory exemptions.

The requirements to be met by employers with respect to withholding returns and remittances are outlined in the *Calendar of Employer's Duties* on page 38 (back page of this booklet).

Mississippi withholding procedures and policies follow very closely those of the Federal Government. The principal differences are explained in the following paragraphs.

2. WHO ARE EMPLOYERS

The term "employer" as defined in the Mississippi Income Tax Withholding Law, and as referred to in this booklet, includes:

(a) All persons, firms, corporations, associations, partnerships, joint ventures, trusts, and any other persons or organizations resident in this state or who maintain an office or place of business in this state, or who transact business in this state for whom one or more individuals perform services as an employee or as employees.

(b) Businesses that lease employees by a contract of employment with a leasing firm may be considered the employer for Mississippi withholding tax purposes. In such cases, payments to the leasing company may be attached for such withholding taxes upon default by the leasing firm. Firms that lease employees to businesses are required to maintain separate ledgers of account for these employees. These lease firms must furnish the Department of Revenue with an annual summary of wages paid, number of employees, and amounts withheld by location.

In addition, the commissioner requires firms that lease employees to businesses to give a cash bond or an approved surety bond in an amount sufficient to cover twice the estimated tax liability for a period of three (3) months. This bond is filed with the commissioner prior to beginning business in this state. Failure to comply with this provision will subject such person to penalties.

(c) The Federal Government, its agencies and instrumentalities.

(d) The State of Mississippi, its agencies and instrumentalities.

(e) All counties, cities, and towns.

For the purpose of withholding, the term "employer" includes any organization, which may be exempt from corporate income tax and corporate franchise tax, including non-stock corporations organized and operated exclusively for non-profit purposes.

The act of compliance with any of the provisions of the Mississippi withholding statute by a nonresident employer shall not constitute an act in evidence of and shall not be deemed to

be evidence that such nonresident is doing business in this state.

3. EMPLOYER'S ACCOUNT NUMBER

Every employer subject to the requirements of withholding Mississippi income tax must make an application for and obtain a withholding account number from the Mississippi Department of Revenue. Applications for registration may be made online through Taxpayer Access Point (TAP) at www.dor.ms.gov and clicking on the TAP icon. If you do not have internet access, applications for registration are available in any of the local offices of the Mississippi Department of Revenue or you may call the Registration Section at (601) 923-7700.

The Employer's Account Number should be kept in a permanent place and must be used on all correspondence with the Department of Revenue concerning withholding returns, annual information returns, etc... If an employer, through double registration or other reasons, receives two account numbers, he should notify the Department of Revenue.

An employer who acquires an existing activity which has employees, and there is no change in the activity, is not to use the monthly/quarterly return addressed to the previous owner, but should notify the Department of Revenue. Employees of the acquired activity are to be included on the report of the acquiring employer from the first payroll subsequent to acquisition. A new identification number will be required where the entity changes as a result of the acquisition or merger, or other changes in the ownership of a business.

A Wage and Tax Statement is to be issued by each employer. Any special rulings by the United States Internal Revenue Service in this regard are not applicable to state procedures.

4. WHO ARE EMPLOYEES

An "employee" is an individual, whether resident, nonresident or nonresident alien of this state, who performs any service in this state for wages. The term also includes any resident individual legally domiciled in this state who performs any service outside this state for wages. An employee is also any nonresident whose employment and post of duty is in Mississippi, but who may occasionally render services for the Mississippi employer at points outside the state. All officers of corporations and elected public officials (except public officials on a fee basis) are classified as employees. Where an employer-employee relationship exists, payments of wages are subject to withholding.

5. TREATMENT OF RESIDENTS AND NONRESIDENTS

(a) Nonresident employees, including seasonal or temporary employees, are subject to Mississippi withholding from any part of their wages received for services performed within Mississippi. If the nonresident's principal place of employment is outside Mississippi but the employee renders services partly within and without the state, only wages for services performed within this state are subject to withholding. The amount to be withheld shall be computed in the following manner:

(i) From the proper Mississippi withholding tax table determine the amount which would be withheld if the entire earnings were allocable to the State of Mississippi;

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(ii) Determine the ratio between the Mississippi earnings for the pay period and the total earnings for the pay period;

(iii) Apply the ratio obtained in step (ii) above to the amount determined in step (i) above and the result shall be the amount of Mississippi income tax to be withheld for the pay period.

(b) If the nonresident's principal place of employment is within Mississippi but the employee occasionally renders services outside the state, withholding of Mississippi income tax is required on total wages, unless withholding is required by the other state in which such temporary services are performed.

(c) Withholding is required from wages paid to residents of Mississippi for services performed by the resident in another state, unless withholding is required by the other state in which the services are performed.

(d) A Wage and Tax Statement or Federal Form W-2 must be filed for each resident or nonresident employee showing separately the wages earned in each state and showing separately the amount of tax withheld for Mississippi and for any other state, if any. The withholding of Mississippi tax does not in any way change the requirements for filing an individual income tax return.

6. EMPLOYEE'S ACCOUNT NUMBER

The employee's Social Security number must be shown on withholding statements furnished to the employee and should be used by the employer to identify an employee when corresponding with the Department of Revenue about such person.

7. WHAT ARE TAXABLE WAGES

The word "wages" means all remuneration, whether in cash or other form, with certain exceptions listed in section 8, paid to an employee for services performed for his employer. The word "wages" covers all types of employee compensation including salaries, fees, bonuses, and commissions, and includes early or excess distribution of retirement income under the Internal Revenue Code (Federal Form 5329). It is immaterial whether payments are based on the day, week, month, or year, or on a piecework or percentage plan. For treatment of wages paid to nonresident employees, see section 5.

8. INCOME PAYMENTS EXEMPT FROM WITHHOLDING

The following classes of income payments are exempt from withholding. (Although the recipients of such income are exempt from withholding, they, if required by the Mississippi income tax law, must file declaration of estimated individual income tax, an annual individual income tax return, and pay any tax due):

(a) For domestic service in a private home, local college club, or local chapter of a college fraternity or sorority; or

(b) For services performed by an employee in connection with farming activities; or

(c) For services not in the course of the employer's trade or business performed by an employee; or

(d) For services performed by a duly ordained, commissioned or licensed minister of a church in the exercise of his ministry, or by a member of a religious order performing duties required by the order.

9. SUPPLEMENTAL WAGES

If supplemental wages, such as bonuses, commissions, or overtime pay, are paid at the same time as regular wages, the income tax to be withheld should be determined as if the total of the supplemental and regular wages was a single wage payment for the regular payroll period. If supplemental wages are paid at a different time, the method of withholding income depends in part, upon whether or not income tax has been withheld from the employee's regular wages and one of the following procedures will apply:

(a) If an employer has not withheld income tax from an employee's regular wages (as, for example, where the employee's withholding exemption exceeds his regular wages), the employer must add the supplemental wages to the regular wages paid within the same calendar year for the current or last preceding payroll period and withhold income tax as though the supplemental wages and regular wages were one payment.

(b) If the employer has withheld income tax from the employee's regular wages, he may add the supplemental wages to the regular wages paid the employee within the same calendar year for the current or last preceding payroll period, determine the income tax to be withheld as if the total amount was a single payment, subtract the tax already withheld from the regular wage payment, and withhold the remaining tax from the supplemental wage payment.

If the procedures set forth above result in substantial over withholding, the amount to be withheld may be computed at the percent corresponding to the highest tax bracket the employee is expected to reach on his annual state income tax return.

Vacation pay received for the time of absence is subject to withholding as though it were regular pay. Vacation pay received in addition to regular pay shall be subject to withholding as if it were a supplemental wage payment.

There is no exclusion in the Mississippi income tax law for payments made by the employer under wage continuation plans because of personal injuries or sickness of employees. Such payments must be included in wages of employees as shown on withholding statements and taken into account when tax is withheld.

10. TRANSIENT OR SEASONAL EMPLOYERS REQUIRED TO FILE MONTHLY WITHHOLDING REPORTS

The withholding statutes require that employers classified as "transient" or "seasonal" file monthly reports of tax withheld and remit to the Commissioner with the reports the amounts withheld for the preceding month.

"Seasonal employer" applies to, but is not limited to, an employer who operates only during certain periods of each year. Some examples are summer and beach resort hotels, concessions, etc.; cotton warehouses and produce markets hiring employees only during the marketing season; and summer camps.

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"Transient employers" are employers who are not residents of this state and who temporarily engage in any activity within the state for the production of income. The definition includes, but is not limited to, any nonresident employer engaging in any activity which as of any date cannot be reasonably expected to continue for a period of eighteen (18) consecutive months.

11. PAYROLL PERIOD

The payroll period is the period of service for which the employer ordinarily pays wages to an employee.

In the case of any employee who has no payroll period, the income tax to be withheld must be determined as if he were paid on a "daily or miscellaneous" payroll period. This method requires a determination of the number of days (excluding Saturdays, Sundays and holidays) in the period covered by the wage payment. If the wages are not related to a specific length of time (for example, commissions paid on completion of a sale), then the number of days must be counted from the date of payment back to the latest of these three events: (a) the last payment of wages made during the same calendar year; (b) the date employment commenced if during the same calendar year; or (c) January 1 of the same year.

12. WITHHOLDING EXEMPTION CERTIFICATES

Each employee is required to complete and furnish to his employer an Exemption Certificate (Form 89-350) indicating the amount of personal exemption to which he is entitled. A properly executed Exemption Certificate is the primary factor in determining the amount of tax, if any, to be withheld. **FEDERAL EXEMPTION CERTIFICATES WILL NOT SUPPLY THE PROPER INFORMATION FOR MISSISSIPPI WITHHOLDING PURPOSES.** In the event that the employee fails to file the Exemption Certificate, the employer, in computing the amounts to be withheld from the employee's wages, shall withhold based on zero exemption. Certificates should be secured from each new employee when hired.

Employees must file an amended Certificate, reducing the amount of personal exemption, within ten days, if the change in exemption status would increase the income tax to be withheld.

The personal and additional exemptions authorized by statute **FOR PAY PERIOD IN CALENDAR YEARS 2000 AND AFTER.**

- (a) Single individuals - \$6,000.00
- (b) Married individuals, Jointly - \$12,000.00
- (c) Head of family - \$9,500.00
- (d) Authorized dependents - \$1,500.00 each
- (e) Age 65 and over - taxpayer and/or spouse only - \$1,500.00
- (f) Blind - taxpayer and/or spouse only - \$1,500.00

In instances where taxpayer and spouse are both employed, the joint personal exemption of \$12,000.00 may be divided between them, in multiples of \$500.00, in any manner they choose so long as the total claimed by both spouses does

not exceed the total exemption of \$12,000.00. Married couples may divide the number of their dependents between them in any manner they choose. See instructions on the Employee's Withholding Exemption Certificate for additional information. A sample Employee's Withholding Exemption Certificate and instructions appears on page 7 of this booklet.

WARNING FOR MARRIED RESIDENT INDIVIDUALS FILING SEPARATE RETURNS. Mississippi law provides that married individuals electing to file separate returns must, on filing of such returns, divide the exemptions equally between the two spouses. If married individuals contemplate filing separate returns, they should equally divide the exemptions in completing the Employee Withholding Exemption Certificate as filed with their respective employers. Married individuals electing to file a joint or combined return may continue to divide the exemptions between them in any manner they choose.

13. COMPUTING WITHHOLDING OF MISSISSIPPI PERSONAL INCOME TAX

(a) Tables A - Single Individuals.

Withholding tables for SINGLE INDIVIDUALS for the various payroll periods are on pages 8, 14, 20, 26, and 32 indicating the amount to be withheld based on the wage bracket of the employee and the amount of personal exemption entered by the employee on his or her exemption certificate. If the employee checks Line 1 of the Employee's Withholding Exemption Certificate, use the withholding tables for Single Individuals, Tables A, in determining the amount, if any, to be withheld for Mississippi income tax. The first exemption range in Tables A is zero for Single Individuals who fail to file an exemption certificate with their employer, or for Single Individuals who elect to claim no exemption for state income tax withholding purposes. The second exemption range is \$6,000.00, the amount of the single personal exemption. Subsequent exemption ranges are in multiples of \$1,500.00 for Single Individuals who are entitled to additional exemptions for age, blindness, or for dependents.

(b) Tables B - Head-of-Family Individuals.

Withholding tables for HEAD-OF-FAMILY INDIVIDUALS for the various payroll periods are on pages 9, 15, 21, 27, and 33 indicating the amount to be withheld based on the wage bracket of the employee and the amount of personal exemption entered by the employee on his or her exemption certificate. If the employee checks Line 3 of the Employee's Withholding Exemption Certificate, use the withholding tables for Head-of-Family Individuals, Tables B, in determining the amount, if any, to be withheld for Mississippi income tax. The first exemption range in Tables B is zero for Head-of-Family Individuals who fail to file an exemption certificate with their employer, or for Head-of-Family Individuals who elect to claim no exemption for state income tax withholding purposes. The second exemption range is \$9,500.00, the amount of the Head-of-Family personal exemption (**with one dependent**). Subsequent exemption ranges are in multiples of \$1,500.00 for Head-of-Family Individuals who are entitled to additional exemptions for age, blindness,

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or for each additional exemption for each dependent excluding the one which is required for Head-of-Family status.

(c) Tables C - Married Individuals (Spouse NOT Employed).

Withholding tables for MARRIED (SPOUSE NOT EMPLOYED) for the various payroll periods are on pages 10, 16, 22, 28, and 34 indicating the amount to be withheld based on the wage bracket of the employee and the amount of personal exemption entered by the employee on his or her exemption certificate. If the employee checks Line 2(a) of the Employee's Withholding Exemption Certificate, use the withholding tables for Married (spouse not employed) Individuals, Tables C, in determining the amount, if any, to be withheld. (If the employee checks Line 2(b) on his Employee's Withholding Exemption Certificate, use Tables D for withholding). The first exemption range in Tables C is zero for individuals who fail to file an exemption certificate with their employer, or for individuals who elect to claim no exemption for state income tax withholding purposes. The second exemption range is \$12,000.00, the amount of the married personal exemption. Subsequent exemption ranges are in multiples of \$1,500.00 for married (spouse not employed) individuals who are entitled to additional exemptions for age, blindness, or for dependents.

(d) Tables D - Married Individuals (Both Spouses Employed).

Withholding tables for MARRIED INDIVIDUALS WHERE BOTH SPOUSES ARE EMPLOYED for the various payroll periods are on pages 11, 12, 13, 17, 18, 19, 23, 24, 25, 29, 30, 31, 35, 36, and 37 indicating the amount to be withheld based on the wage bracket of the employee and the amount of personal exemption entered by the employee on his or her exemption certificate. If the employee checks Line 2(b) of the Employee's Withholding Exemption Certificate, use the withholding tables for Married Individuals (both spouses employed), Tables D, in determining the amount, if any, to be withheld. (If employee checks Line 2(a) on his Employee Withholding Exemption Certificate, use Tables C for withholding.) Tables D are designed for married individuals where both taxpayer and spouse are employed, where both must file an Employee's Withholding Exemption Certificate with respective employers, and where taxpayer and spouse must make a division of the personal exemption and the additional exemptions authorized. Tables D contain allowances and adjustments for the joint married standard deduction that are not included in Tables C. In Tables D, the standard deduction is divided equally for both taxpayer and spouse. The first exemption range in Tables D is zero for individuals who fail to file an Employee's Withholding Exemption Certificate with their employer, or for individuals who elect to claim no exemption for state income tax withholding purposes. Subsequent exemption ranges are in multiples of \$500.00.

(e) IMPORTANT!

If an employee's wages exceed those listed in the applicable withholding table, compute the tax to be withheld as follows: multiply the excess amount by 5% and add the result to the largest figure listed under the appropriate exemption column for that employee.

This total is the amount to be withheld. This amount should be rounded to the nearest whole dollar.

(f) Additional or Voluntary Withholding.

An employee working for more than one employer and claiming his full exemption with each employer will usually owe additional income tax when he files his annual income tax return. This is also true of employees who have substantial income other than wages.

If an employee wishes to have more income tax withheld from his wages than his employer is required to withhold under the law, he and his employer may enter into an agreement under which an additional amount can be withheld. An employer may not withhold less than the amount required under law, even though the employee's ultimate tax liability will be less than the amount required to be withheld. Voluntary withholding is also authorized and extended to types of income, which are not subject to mandatory withholding. Thus, by written request, agricultural employees, household workers, Mississippi residents working in another state where the employer is not legally required to withhold Mississippi income tax, etc., may choose, where their employers agree, to have income tax withheld from their wages.

By withholding in accordance with the tables, the employer will have complied with the law in the matter of deducting the proper amount from the employee's wages.

The Commissioner may, upon request, authorize employers to use some other method of determining the amounts to be withheld, provided that the amounts will reasonably approximate the correct withholding from their employees. Any employer who feels that the use of tables is impracticable or constitutes an unreasonable requirement, may apply in writing to the Commissioner setting forth in detail the method he desires to use together with reason why the tables do not fit his situation.

(g) Withholding Not Required.

No withholding is required on tax-exempt non-taxable retirement income.

14. MONTHLY OR QUARTERLY RETURN OF INCOME TAX WITHHELD

The Mississippi Department of Revenue will determine the filing frequency of the employer. Employers should report according to the filing frequency as instructed by the Mississippi Department of Revenue. A return must be filed for every filing period even if no tax is due. Electronic reporting through Taxpayer Access Point (TAP) is mandatory for employers submitting 25 or more W-2s or 1099s.

All employers, regardless of the number of W-2s or 1099s, are encouraged to utilize TAP. To access TAP, go to our website at www.dor.ms.gov.

For paper filers (less than 25 W-2s or 1099s) who do not have internet access, you should use the preaddressed coupons, Form 89-105, that will be mailed by the Department of Revenue. If the coupons are lost or not received, please notify the Department of Revenue and replacement forms will

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be immediately mailed. Should it be necessary to submit withholding tax without a preaddressed coupon, the employer's name, current mailing address, account number and the period covered by the remittance must appear on the furnished blank return.

The last monthly or quarterly return for any employer who ceases to do business or who ceases to be subject to the requirements of withholding shall be marked "Final Return".

15. CORRECTING MISTAKES- AMENDED RETURNS

If an incorrect amount of income tax withholding is paid to the Department of Revenue, an amended return must be filed and any difference paid. A taxpayer can amend their return on TAP or mark the amended check box on the paper return.

16. PAYMENT OF INCOME TAX WITHHELD

After the close of each calendar month or quarter, every employer must remit the full amount of the Mississippi income tax withheld with his monthly/quarterly return to the Mississippi Department of Revenue. See the *Calendar of Employer's Duties* on page 38 (back page of this booklet) for the due date of returns.

The amount of income tax withheld by an employer is by law deemed to be held in trust for the State of Mississippi.

Penalties: A penalty of the amount due is imposed for failure to withhold, late filing of the monthly/quarterly report and/or payment of the income tax. The standard penalty rate is 10%. The withholding statutes provide criminal penalties for willful failure to or refusal to withhold, make returns, and/or remit the amounts due to be withheld.

Interest: Interest at the rate of ½% per month accrues on all delinquent tax.

Personal Liability of Employers: Any employer who fails to withhold or to pay to the Commissioner any sums required to be withheld shall be personally and individually liable for such amounts, and the Commissioner is required to assess the same against the employer, together with interest and penalty.

C. WITHHOLDING WHERE PERSONAL EXEMPTION EXCEEDS PROVISIONS OF TABLES

Provision is made in the Single Individuals payroll tables (Tables A) for claiming personal and additional exemptions up to \$18,000.00.

Provision is made in the Head-of-Family Individuals payroll tables (Tables B) for claiming personal and additional exemptions up to \$23,000.00.

Provision is made in the Married Individuals (spouse not employed) payroll tables (Tables C) for claiming personal and additional exemptions up to \$25,500.00.

Provision is made in the Married Individuals (both spouses employed) payroll tables (Tables D) for claiming personal and additional exemptions up to \$25,000.00.

For an employee whose personal and additional exemptions claimed exceed the amount in the appropriate tables (Tables A, B, C, or D), the employee's income should be annualized (gross pay for the pay period multiplied by the number of pay periods in the calendar year), subtract the personal and additional exemptions claimed by the employee on his exemption certificate plus the standard deduction of \$2,300.00 for single individuals, \$3,400.00 for head-of-family individuals, \$4,600.00 for married individuals (spouse not employed), or \$2,300.00 for married individuals (both spouses employed), computing the tax and dividing the result by the number of payroll periods of the year. The result will be the amount to be withheld for each payroll period.

18. RECEIPTS FOR EMPLOYEES

By January 31 of each year, employers must give to each employee two copies of the Mississippi *Wage and Tax Statement* showing total wages and the amount, if any, of the Mississippi income tax withheld for the preceding calendar year. Employers may use the Federal Form W-2 combination packet containing federal and state withholding forms or a purchased combination packet of federal and state forms.

A *Wage and Tax Statement* must be furnished to each terminated employee within thirty (30) days of the date of termination.

If it becomes necessary to correct a *Wage and Withholding Tax Statement* after it has been given to an employee, a corrected statement must be issued to the employee if there is a change in Mississippi withholding. The corrected statement must also be submitted to the Department of Revenue in the same format as the original statements were submitted.

If there is an adjustment due the employer on the corrected statement (where he is required to refund to the employee), corrected statements should be clearly marked "Corrected by Employer". The statement given initially to the employee must be transmitted to the Department of Revenue with a letter describing the adjustments.

If a *Wage and Tax Statement* is lost or destroyed, a substitute copy clearly marked "Reissued by Employer" should be furnished by the employer.

19. ANNUAL INFORMATION RETURN

An Annual Information Return, Form 89-140, must be filed with each return type submitted on paper (less than 25). Review instructions on page 38 and on the Form 89-140 for the due dates. If the date falls on a weekend, the due date is the following Monday.

Failure to file the Annual Information Return will result in a minimum penalty of \$250.00.

Employers operating on a fiscal-year basis must file monthly/quarterly reports, an annual information return (only if paper filing less than 25), and withholding statements on a calendar-year basis.

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20. ELECTRONIC REPORTING

By January 1 of each year, the reporting requirements are reviewed and may be updated. As of January 1, 2013, the requirements below should be followed until superseded. Please check our webpage for any updates before relying on these requirements.

Taxpayer Access Point (TAP) is required to be used to file Mississippi wage statements and/or information returns with the Mississippi Department of Revenue if **ANY** of the following conditions apply:

1. Taxpayer is required to file wage statements, W-2Gs or information returns via electronic media with the federal government, regardless of the total number of Mississippi statements,
2. Employer filing 25 or more W-2s,
3. Taxpayer has 25 or more 1099s to be submitted,
4. Taxpayer used a single payroll service provider for the entire calendar year,
5. An employee leasing company provided personnel to any business within Mississippi.

Check our website for uploading of the various types of W-2s and 1099s.

Electronic format for W-2 information must be in accordance with the Social Security Administration, Office of Systems Requirements and EFW2. The "RS" record must be used for reporting state information.

The layout for the W-2Gs and various 1099s will be the same as described in the Federal Publication 1220. For more information concerning 1099s, see the section INFORMATION AT SOURCE REPORTS.

You may be subject to penalties if you do not file as required. The penalty for not filing required wage statements is \$25 per statement. The penalty for not filing electronically as required is \$25 for the first instance of non-compliance and \$500 for each additional instance.

Those who are not required above to file electronically are encouraged to do so, instead of filing paper forms. To access TAP and submit returns electronically, visit our website at www.dor.ms.gov.

Check our website for current year instructions concerning electronic filing. The submitting of wage and tax data to the State of Mississippi electronically does not relieve the employer of furnishing adequate copies of Federal Forms W-2s to its employees and 1099s to whom monies were paid during the year. Wage and tax data are due to employees by January 31st of each year.

The State of Mississippi participates in the Combined Federal/State Reporting Program. 1099s from which Mississippi tax was withheld must be reported directly to the Department of Revenue. For reporting to Mississippi on the Combined Program, you may furnish a copy of the federal consent form.

21. INFORMATION AT SOURCE REPORTS

Information at source reports on interest, rents, premiums, annuities, dividends, remunerations, emoluments, etc. other than salaries or wages are required to be reported on Federal Form 1099 no later than February 28th of the following year. The various Federal Forms 1099 will be acceptable to the extent that an information return is required under Mississippi law. The reporting of 1099 information is required if payments exceed \$600.00.

Federal Form 1099 is not to be used by an employer actively registered for withholding to report salaries or wages of any type. The registered employer will use Wage and Tax Statement Federal Form W-2 to report all salaries and wages, even though no withholding is required with respect to certain employees. Likewise, inactive employers or employers not registered for withholding (due to non-liability for withholding) may use Wage and Tax Statements Form W-2 for reporting information at source where required by statute (wages in excess of \$3,000).

22. RECORDS TO BE KEPT

Every employer subject to the requirements of withholding income tax described in this booklet and as provided by statute is required to keep all pertinent records available for inspection by agents of the Mississippi Department of Revenue for a period of at least three (3) years after the date of the filing of the annual information return or payment of income tax for the final month or quarter of the year, whichever is later.



MISSISSIPPI EMPLOYEE'S WITHHOLDING EXEMPTION CERTIFICATE

Employee's Name _____ SSN _____

Employee's Residence _____

Number and Street City or Town State Zip Code

		CLAIM YOUR WITHHOLDING PERSONAL EXEMPTION		
		Marital Status	Personal Exemption Allowed	Amount Claimed
EMPLOYEE: File this form with your employer. Otherwise, you must withhold Mississippi income tax from the full amount of your wages.	1. Single	<input type="checkbox"/> Enter \$6,000 as exemption ▶		\$
	2. Marital Status (Check One)	(a) <input type="checkbox"/> Spouse NOT employed: Enter \$12,000 ▶	\$	
		(b) <input type="checkbox"/> Spouse IS employed: Enter that part of \$12,000 claimed by you in multiples of \$500. See instructions 2(b) below. ▶	\$	
	3. Head of Family	<input type="checkbox"/> Enter \$9,500 as exemption. To qualify as head of family, you must be single and have a dependent living in the home with you. See instructions 2(c) and 2(d) below ▶		\$
EMPLOYER: Keep this certificate with your records. If the employee is believed to have claimed excess exemption, the Department of Revenue should be advised.	4. Dependents	You may claim \$1,500 for each dependent*, other than for taxpayer and spouse, who receives chief support from you and who qualifies as a dependent for Federal income tax purposes. * A head of family may claim \$1,500 for each dependent excluding the one which qualifies you as head of family. Multiply number of dependents claimed by you by \$1,500. Enter amount claimed... ▶	\$	
	5. Age and blindness	• Age 65 or older <input type="checkbox"/> Husband <input type="checkbox"/> Wife <input type="checkbox"/> Single • Blind <input type="checkbox"/> Husband <input type="checkbox"/> Wife <input type="checkbox"/> Single Multiply the number of blocks checked by \$1,500. Enter the amount claimed ▶ * Note: No exemption allowed for age or blindness for dependents.	\$	
	6. TOTAL AMOUNT OF EXEMPTION CLAIMED - Lines 1 through 5... ▶		\$	
	7. Additional dollar amount of withholding per pay period if agreed to by your employer ▶		\$	
	8. If you meet the conditions set forth under the Service Member Civil Relief, as amended by the Military Spouses Residency Relief Act, and have no Mississippi tax liability, write "Exempt" on Line 8. You must attach a copy of the Federal Form DD-2058 and a copy of your Military Spouse ID Card to this form so your employer can validate the exemption claim.. ▶		_____	

I declare under the penalties imposed for filing false reports that the amount of exemption claimed on this certificate does not exceed the amount to which I am entitled or I am entitled to claim exempt status.

Employee's Signature: _____ Date: _____

INSTRUCTIONS

- | | | | | | | | | | | | | | |
|---|------------------------|---------------------|----------------|---------|-----------------------------------|----------|---------------------|---------|--------------------|---------|---------------|---------|---|
| <p>1. The personal exemptions allowed:</p> <table border="0" style="width: 100%;"> <tr> <td>(a) Single Individuals</td> <td style="text-align: right;">\$6,000</td> <td>(d) Dependents</td> <td style="text-align: right;">\$1,500</td> </tr> <tr> <td>(b) Married Individuals (Jointly)</td> <td style="text-align: right;">\$12,000</td> <td>(e) Age 65 and Over</td> <td style="text-align: right;">\$1,500</td> </tr> <tr> <td>(c) Head of family</td> <td style="text-align: right;">\$9,500</td> <td>(f) Blindness</td> <td style="text-align: right;">\$1,500</td> </tr> </table> <p>2. Claiming personal exemptions:</p> <p>(a) Single Individuals enter \$6,000 on Line 1.</p> <p>(b) Married individuals are allowed a joint exemption of \$12,000.
 If the spouse is not employed, enter \$12,000 on Line 2(a). If the spouse is employed, the exemption of \$12,000 may be divided between taxpayer and spouse in any manner they choose - in multiples of \$500. For example, the taxpayer may claim \$6,500 and the spouse claims \$5,500; or the taxpayer may claim \$8,000 and the spouse claims \$4,000. The total claimed by the taxpayer and spouse may not exceed \$12,000. Enter amount claimed by you on Line 2(b).</p> <p>(c) <u>Head of Family</u>
 A head of family is a single individual who maintains a home which is the principal place of abode for himself and at least one other dependent. Single individuals qualifying as a head of family enter \$9,500 on Line 3. If the taxpayer has more than one dependent, additional exemptions are applicable. See item (d).</p> <p>(d) <u>An additional exemption of \$1,500 may generally be claimed for each dependent of the taxpayer.</u> A dependent is any relative who receives chief support from the taxpayer and who qualifies as a dependent for Federal income tax purposes. Head of family individuals may claim an additional exemption for each dependent <u>excluding</u> the one which is required for head of family status. For example, a head of family taxpayer has 2 dependent children and his dependent mother living with him. The taxpayer may claim 2 additional exemptions. Married or single individuals may claim an additional exemption for each dependent, but</p> | (a) Single Individuals | \$6,000 | (d) Dependents | \$1,500 | (b) Married Individuals (Jointly) | \$12,000 | (e) Age 65 and Over | \$1,500 | (c) Head of family | \$9,500 | (f) Blindness | \$1,500 | <p>should not include themselves or their spouse. Married taxpayers may divide the number of their dependents between them in any manner they choose; for example, a married couple has 3 children who qualify as dependents. The taxpayer may claim 2 dependents and the spouse 1; or the taxpayer may claim 3 dependents and the spouse none. Enter the amount of dependent exemption on Line 4.</p> <p>(e) <u>An additional exemption of \$1,500 may be claimed by either taxpayer or spouse or both if either or both have reached the age of 65 before the close of the taxable year.</u> No additional exemption is authorized for dependents by reason of age. Check applicable blocks on Line 5.</p> <p>(f) <u>An additional exemption of \$1,500 may be claimed by either taxpayer or spouse or both if either or both are blind.</u> No additional exemption is authorized for dependents by reason of blindness. Check applicable blocks on Line 5. Multiply number of blocks checked on Line 5 by \$1,500 and enter amount of exemption claimed.</p> <p>3. Total Exemption Claimed:
 Add the amount of exemptions claimed in each category and enter the total on Line 6. This amount will be used as a basis for withholding income tax under the appropriate withholding tables.</p> <p>4. A NEW EXEMPTION CERTIFICATE MUST BE FILED WITH YOUR EMPLOYER WITHIN 30 DAYS AFTER ANY CHANGE IN YOUR EXEMPTION STATUS.</p> <p>5. PENALTIES ARE IMPOSED FOR WILLFULLY SUPPLYING FALSE INFORMATION.</p> <p>6. IF THE EMPLOYEE FAILS TO FILE AN EXEMPTION CERTIFICATE WITH HIS EMPLOYER, INCOME TAX MUST BE WITHHELD BY THE EMPLOYER ON TOTAL WAGES WITHOUT THE BENEFIT OF EXEMPTION.</p> <p>To comply with the Military Spouse Residency Relief Act (PL111-97) signed on November 11, 2009.</p> |
| (a) Single Individuals | \$6,000 | (d) Dependents | \$1,500 | | | | | | | | | | |
| (b) Married Individuals (Jointly) | \$12,000 | (e) Age 65 and Over | \$1,500 | | | | | | | | | | |
| (c) Head of family | \$9,500 | (f) Blindness | \$1,500 | | | | | | | | | | |

MISSISSIPPI

WITHHOLDING TAX CALENDAR

If a due date falls on a weekend or a state holiday, the filing is due the next working day.

New Employee	When a new employee is hired, have each employee complete the Mississippi Employee's Withholding Exemption Certificate, Form 89-350. Upon each payment of wages to an employee, withhold Mississippi income tax in accordance with the employee's Form 89-350 and the applicable withholding table.
January 15	Monthly Taxpayers – File employer's return and remittance for December. Quarterly Taxpayers – File employer's return and remittance for 4 th quarter (October, November, and December).
January 31	Furnish Wage and Tax Statements to employees showing total wages paid and the amount of Mississippi income tax withheld during calendar year. Both paper and electronic W2s and the Annual Information Returns, Form 89-140, are due to be filed with the State.
February 15	Monthly Taxpayers – File employer's return and remittance for January.
February 28	Both paper and electronic 1099s and the Annual Information Returns, Form 89-140, are due to be filed with the State.
March 15	Monthly Taxpayers – File employer's return and remittance for February.
April 15	Monthly Taxpayers – File employer's return and remittance for March. Quarterly Taxpayers – File employer's return and remittance for 1 st quarter (January, February, and March).
May 15	Monthly Taxpayers – File employer's return and remittance for April.
June 15	Monthly Taxpayers – File employer's return and remittance for May.
*June 25	Accelerated Tax Payment - Withholding taxpayers having an average monthly payment of \$50,000.00 or more for the prior calendar year is required to make an estimated payment of at least 75% of the current June Liability or 75% of the prior June Liability.
July 15	Monthly Taxpayers – File employer's return and remittance for June. Quarterly Taxpayers – File employer's return and remittance for 2 nd quarter (April, May, June).
August 15	Monthly Taxpayers – File employer's return and remittance for July.
September 15	Monthly Taxpayers – File employer's return and remittance for August.
October 15	Monthly Taxpayers – File employer's return and remittance for September. Quarterly Taxpayers – File employer's return and remittance for 3 rd quarter (July, August, and September).
November 15	Monthly Taxpayers – File employer's return and remittance for October.
December 15	Monthly Taxpayers – File employer's return and remittance for November.

**Accelerated Tax Payments are due on or before June 25th, even if the 25th falls on a weekend or a state holiday.*