Health Care Industry Zone Incentive

OVERVIEW

The Mississippi Health Care Industry Zone Incentive aims to increase the number of health care jobs in the state and expand access to high-quality medical care for Mississippi residents by encouraging health care-related businesses to locate or expand in Health Care Zones in the state.

The Health Care Industry Zone Incentive provides certified businesses with the following incentives:
- An accelerated, 10-year state income tax depreciation deduction; and
- A sales tax exemption for equipment and materials purchased from the date of the project’s certification until three months after the facility is completed.

In addition, the program allows counties and cities, at their discretion, to grant a property tax “fee in lieu” for 10 years for any certified project with an investment of more than $10 million or a 10-year ad valorem tax exemption. Certified companies can also qualify for other Mississippi incentive programs.

ELIGIBILITY

The incentive program is designed to benefit businesses engaged in:
- Medical supply
- Biologics
- Laboratory testing
- Medical product distribution
- Diagnostic imaging
- Biotechnology
- Pharmaceutical research and development
- Medical equipment or medicine production and related manufacturing or processing

Medical service providers, including nursing homes and assisted living facilities, may also benefit from this program.

To qualify for this incentive, health care-related businesses must commit to create at least 25 full-time jobs and/or invest $10 million and must locate in a Health Care Zone within the state.

Health Care Zones are defined as:
- areas within a five-mile radius of a health care facility with acute care hospital beds in a region where there are three contiguous counties which have Certificates of Need for more than 375 acute care hospital beds; and/or
- areas located within five miles of a hospital that will be constructed before July 1, 2017, and that involves a minimal capital investment of $250 million.
In addition, health care-related businesses that locate within a five-mile radius of William Carey University’s Tradition campus in Harrison County or businesses located on land owned by or leased from the University of Mississippi Medical Center can qualify for Health Care Industry Zone incentives.

**CERTIFICATION**

For a health care-related business to qualify for the Mississippi Health Care Industry Zone Incentive, MDA must certify the business meets the minimum requirements of the program and the project advances health care opportunities in the state. Certification must be obtained before the project is announced and prior to the start of construction and hiring.

To apply, contact the Mississippi Development Authority’s Financial Resources Division. For further details, see the Mississippi Tax Incentives, Exemptions, and Credits guidelines on the Mississippi Department of Revenue website at https://www.dor.ms.gov/docs/2013IncentiveBook-pdffinal.pdf.