

## Fee in Lieu of Property Tax

For eligible new businesses or expansion projects in the state that make a capital investment of more than \$60 million, local governmental authorities may negotiate a fee that will be paid in place of the calculated property tax typically due on the property. In addition, for health care industry facilities that have been certified by the Mississippi Development Authority and that make an investment of at least \$100 million, local governmental authorities may negotiate a fee in lieu of property tax.

This negotiated fee may be awarded for up to 30 years but cannot be less than one third of the property tax levy, including the property taxes assessed for school districts. No particular parcel of land, real property improvement or item of personal property can be subject to a fee in lieu for more than 10 years. These fees in lieu of property tax are designed to encourage development within local communities and must be agreed to by the local board of supervisors and/or municipal authorities. All negotiated fees must be given final approval by MDA.

For more details, contact MDA's Financial Resources Division.

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Contact the Mississippi Development Authority's Financial Resources Division  
at 601.359.3552 or [financial@mississippi.org](mailto:financial@mississippi.org) to learn more.