

Research and Development Skills Tax Credit

The Research and Development Skills Tax Credit is an income tax credit that can be used to reduce an eligible business's income tax liability. Credits are equal to \$1,000 per employee per year for a five-year period and are available for any position requiring research or development skills. There is no minimum number of positions that must be created for a business to qualify for this credit.

PROGRAM FACTS

To qualify for the Research and Development Skills Tax Credit, the position must be engaged in research and development activities. Qualification of jobs for this credit must require, at a minimum, a bachelor's degree in a scientific or technical field of study from an accredited four-year college or university, employment in the employee's area of expertise, and compensation at a professional level.

The credit is awarded in the amount of \$1,000 per full-time employee per year for a five-year period.

These credits can be used in conjunction with Jobs Tax Credits, and the combination can be used to offset up to 50 percent of a business's state income tax liability. Any unused credits can be carried forward up to five years.

TO APPLY

Research and Development Skills Tax Credits are awarded and administered by the Mississippi Department of Revenue. 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> or 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 to learn more.