



DEPARTMENT OF
REVENUE
STATE OF MISSISSIPPI

OFFICE OF THE COMMISSIONER

March 26, 2020

Mr. Gregory S. Matson
Executive Director
Multistate Tax Commission
444 North Capitol St., N.W., Suite 425
Washington, D.C. 20001

Via Email

RE: Mississippi Response to Requests for Relief

The Mississippi Department of Revenue is aware of the new pressures on the business community and state governments in responding to the COVID 19 pandemic. We are committed to doing what we can to help provide relief and certainty to our practitioner partners and business community partners.

Extensions of Filing Deadlines

While the federal government and many other states have postponed their income tax filing and payment deadlines to July 15, Mississippi has currently elected to move its filing deadline to May 15 in order to meet our statutory requirements of a balanced budget as of the fiscal year end, which is June 30. The Department issued this extension with legislative input and input from our governor's office. We cannot move this deadline out past the fiscal year end without express direction from the legislature and the governor because this will create a \$500,000,000 deficit for the current fiscal year.

The Commissioner has the authority, by statute, to extend all sales/ use and local tax levies by only one month without requiring the imposition of interest. As of this time, we have not extended the time to file returns; however, we are agreeing to delay the imposition of interest and penalty on any unpaid tax balance for the period covered by the presidentially declared national emergency.

Property taxes are assessed and collected at the local government levels in Mississippi. The Department of Revenue does not have the authority to extend any of these deadlines. However, the Governor has extended the homestead exemption application deadline to May 1, 2020.

Penalty and Interest Waiver

Mississippi has taken the steps to suspend the accrual of interest and penalty on all new assessments and all prior liabilities. Penalty and interest accrual has been suspended effective March 15, 2020 and will continue until the end of the national emergency.

Audits and Filing Requirements

Our audit staff is continuing to work on open audits. We will take what steps we can to resolve issues to minimize any audit controversies. We will agree to abate penalty and interest on any audits closed during this period of national emergency and where the taxpayer agrees to settle the audit without appeal and pay the tax due. We will work with taxpayers to extend deadlines for production of records and will commit to executing extensions where needed.

During the period of national emergency, Mississippi will not change withholding requirements for businesses based on the employee's temporary telework location. Mississippi residents are taxable on their total income, regardless of where they work. However, we will not impose any new withholding requirements on the employer. Mississippi will not use any changes in the employees temporary work locations due to the pandemic to impose nexus or alter apportionment of income for any business while temporary telework requirements are in place.

Electronic Mail and Electronic Payments

Mississippi will accept electronic document delivery, digital signatures, and electronic forms of payment. We are not aware of any requirements that a taxpayer must use certified mail in any response to this agency. Certainly, if this situation presents itself, we will accept anything received via regular mail. The Department will still be using certified mail where it is required to by statute. There are statutory deadlines for response times to appeal actions of this agency. We accept these appeals via electronic means now and believe that because we accept appeals through this manner there is no additional burden placed on a taxpayer to timely appeal. Additionally, there is no statutory provision to allow us to extend this deadline, which is currently 60 days for most actions of the agency.

Thank you for providing the Department the opportunity to address these concerns and requests. Please feel free to forward our response.

Sincerely,



Herb Frierson
Commissioner of Revenue