



## TATE COUNTY, MISSISSIPPI TAX ABATEMENT PROGRAM

### POLICIES AND PROCEDURES

Approved & Effective Date: 6/26/2025

Last Amended: \_\_\_\_\_

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### SECTION I: GENERAL PURPOSE AND PROVISIONS

Tate County, Mississippi, and each locating municipality are committed to promoting economic development and high-quality job creation. The county's tax abatement program is designed to attract and support businesses through property tax incentives.

The program offers a **75% reduction in property taxes** for up to **10 years**, provided specific conditions regarding job creation and capital investment are met.

The tax abatement applies to the Tate County millage rates, excluding the school district millage rate, which currently stands at a maximum of **74.6 mills for the county, 30.7 mills for Senatobia, and 33.25 mills for Coldwater.**

- The business will pay taxes on the remaining **18.65 mills (25% of 74.6 mills)** in Tate County.
- For Senatobia, the business will pay taxes on the remaining **7.675 mills (25% of 30.7 mills).**

- For Coldwater, the business will pay taxes on the remaining **8.3125 mills (25% of 33.25 mills)**.

This program ensures businesses making substantial investments in Tate County can significantly reduce their property tax burden while meeting economic development and community benefit requirements.

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## **SECTION II: DEFINITIONS**

**Applicant:** The business entity submitting an application for tax abatement.

**Capital Investment:** A minimum of **\$2,500,000** invested in land, buildings, machinery, or equipment for the project.

**Full-Time Job:** A position offering at least 1,600 hours of work annually. Three temporary positions will equate to one full-time position.

**Community Benefits Agreement (CBA):** A legally binding agreement between the applicant and Tate County and each locating municipality ensuring direct community benefits, including workforce development, local infrastructure improvements and charitable donations.

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## **SECTION III: GENERAL TAX ABATEMENT OBJECTIVES AND PROVISIONS**

### **A. Minimum Eligibility Requirements**

To be eligible for the tax abatement program, applicants must meet the following criteria:

- **Job Creation:** The project must create at least **ten (10) full-time jobs** within Tate County and locating municipalities (three-part jobs equal one full-time job).
- **Capital Investment:** A minimum capital investment of **\$2,500,000** is required.
- **Local and/or Minority-Owned Business Spend:** 25% of the total project costs must be spent with local (within the state) and/or minority-owned (in or out of state) businesses.
- **Community Benefits Agreement (CBA):** The applicant must enter into a CBA with Tate County and locating municipalities, ensuring the project benefits the broader community (e.g., infrastructure improvements, workforce development). **Community Benefits Agreements are negotiable and subject to TCEDF discretion based on size and complexity of the project.**

## B. Discretionary Approval

The Tate County Board of Supervisors and each locating municipality reserves the right to approve, deny, or modify any tax abatement application. All applications are evaluated based on their economic benefits, job creation, capital investment, spending with local and/or minority-owned businesses, and overall impact on the local community.

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## SECTION IV: APPLICATION PROCESS

1. **Pre-Application Meeting:** Applicants are encouraged to meet with Tate County's Economic Development office to discuss the project scope and eligibility.
  2. **Application Submission:** The application form must be completed and submitted to the Economic Development office, accompanied by:
    - Detailed project description. A proposed timeline for job creation, capital investment, and compliance with the local and/or minority-owned business spending requirement.
    - Complete the MLFEX application to the Mississippi Development Authority and submit a copy of the application to TCEDF.
  3. **Review Process:** The application will be reviewed by the Tate County Economic Development Foundation Board of Directors. A decision will be made within 60 days, with the possibility of seeking input from local stakeholders regarding the Community Benefits Agreement.
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## SECTION V: CLOSING REQUIREMENTS

1. **Abatement Agreement:** Upon approval, the applicant and Tate County will enter into a legally binding agreement that outlines the tax abatement terms, job creation milestones, capital investment requirements, local and/or minority-owned business spending, and the Community Benefits Agreement.
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## SECTION VI: EVALUATION AND COMPLIANCE

1. **Annual Reporting:** Tax abatement recipients must submit an annual report to the Mississippi Development Authority detailing job creation, capital investment, spending with local and/or minority-owned businesses, and community benefit



activities. These reports will be reviewed by the Tate County Economic Development Foundation to ensure compliance.

2. **Audits:** Audits will be completed on an annual basis based on the compliance reporting to be supplied to the Mississippi Development Authority.
3. **Non-Compliance Penalties:** Failure to meet the job creation, capital investment, local/minority-owned business spending, or healthcare coverage requirements may result in:
  - o Termination or reduction of the tax abatement.
  - o Repayment of tax savings to Tate County and locating municipality.

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## SECTION VII: COMMUNITY BENEFITS AGREEMENT (CBA) REQUIREMENTS

Each applicant must execute a Community Benefits Agreement (CBA) to ensure the project delivers tangible benefits to Tate County and each locating municipality, including but not limited to:

- Local hiring initiatives aimed at providing employment opportunities for county residents.
- Charitable donations to local non-profit organizations.
- Infrastructure improvements to support local development, including road, utility, or public services enhancements.
- Workforce development programs in collaboration with local educational institutions to upskill residents for job opportunities created by the project.

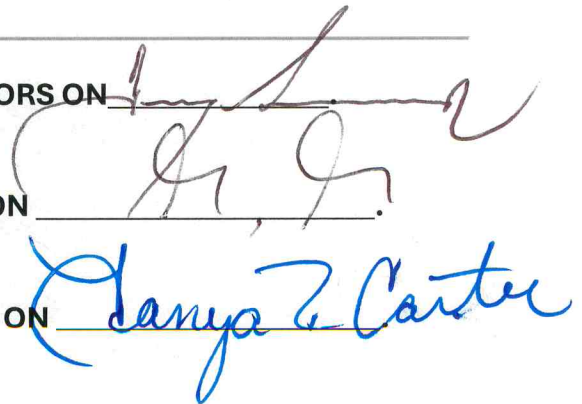
Failure to comply with the CBA may result in modifications to the tax abatement agreement, including its termination.

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ADOPTED BY THE TATE COUNTY BOARD OF SUPERVISORS ON \_\_\_\_\_  
ATTEST:

ADOPTED BY THE SENATOBIA BOARD OF ALDERMEN ON \_\_\_\_\_  
ATTEST:

ADOPTED BY THE COLDWATER BOARD OF ALDERMEN ON \_\_\_\_\_  
ATTEST:



Handwritten signatures in brown and blue ink are placed over the lines for adoption by the Tate County Board of Supervisors, Senatobia Board of Aldermen, and Coldwater Board of Aldermen. The signatures appear to be 'H. J.' and 'Danya Z. Carter'.