

## Tax Abatement Reporting in Mississippi

*The Governmental Accounting Standards Board (GASB) is the professional organization that establishes standards of accounting and financial reporting for state and local governments. In 2015, GASB added "[Statement No. 77 on Tax Abatement Disclosures](#)" to its Generally Accepted Accounting Principles (GAAP). GASB 77 requires state and local governments (including school districts) to report tax abatement programs (if they have such a program/s) in their annual comprehensive financial reports (ACFRs), specifying the **amount of revenue reduced or foregone** as a result of these tax abatements programs. This new rule, GASB 77, allows the public to see how much public-service revenue is lost due to tax breaks given to corporations. This road map highlights key people and organizations involved in the implementation of GASB 77, the reporting status of jurisdictions in the state, and other information relevant to GASB 77 compliance in Mississippi.*

**Who in state government is most likely to influence GASB 77 disclosure?** State Auditor Shad White. The office has the authority to audit county governments in Mississippi and set the accounting and auditing standards for all governmental bodies in the state (Mississippi Administrative Rules, Title 4: Auditor).

**Does the state's most recent ACFR include GASB 77 disclosure on state revenue losses?**  
Yes.

**How many counties, municipalities and school districts in the state are required to conform with GAAP and therefore GASB Statements?** According to GASB's [research brief](#) titled "State and Local Government Use of Generally Accepted Accounting Principles for General Purpose External Financial Reporting" (2008), all of Mississippi's counties and school districts, plus 81 of its nearly 300 municipalities are required by state law to use GAAP accounting. (Towns with fewer than 3,000 residents are exempt from GAAP filing, though several do comply because they receive federal aid).

**Is there a state office that collects Annual Comprehensive Financial Reports (ACFRs) from counties/cities/school districts?** The State Auditor's office collects ACFRs audit reports from local governments and school districts and posts them online in a [searchable database](#).

**Does state government monitor fiscal stress within county/municipality/school district?**  
No.

**Which state office is responsible for completing the state's ACFR?** Mississippi Department of Finance and Administration.

**Which of the state’s five most populous counties, municipalities, and school districts reported GASB 77 disclosures [in the most recent ACFR available?](#)**

Report Tax Abatements	Do Not Report Tax Abatements
City of Gulfport	City of Jackson
City of Southaven	City of Biloxi
City of Hattiesburg	DeSoto County School District
Hinds County	Jackson Public School District
Harrison County	Rankin County School District
DeSoto County	Harrison County School District
Rankin County	Madison County School District
Jackson County	

**Does the state government or do academic/NGO institutions provide technical assistance on GAAP, GASB or completing ACFRs?** The [State Auditor’s Technical Assistance Division](#) is responsible for providing accounting and compliance assistance to state and local governments. It also conducts related training and is responsible for the design of uniform accounting systems for local governments.

**Who commented on the GASB 77 Exposure Draft from Mississippi?**

- The [Mississippi Economic Policy Center joined with Alabama Arise](#) in calling on GASB to include sales tax diversions among abatements subject to reporting.
- State Rep. Bob Evans joined 61 other local public officials in [submitting a comment](#) broadly supportive of GASB 77.
- The City of Dubuque (Miss.) Finance Director [commented](#) that the proposed disclosure should also include a description of the benefits realized from tax abatements.

**For more information on GASB 77, visit [goodjobsfirst.org/tax-abatement-disclosures](http://goodjobsfirst.org/tax-abatement-disclosures)**

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