

Mississippi

Tax Credit For Income Tax Paid To One Or More Other States

Name XXXXXXXXXXXXXXXXXXXXXXXXXXXX

SSN 999999999

Tax credit, as determined below, is allowed only to LEGAL RESIDENTS of Mississippi who pay an income tax imposed by another state on income earned therein and taxed by Mississippi. If a credit is claimed for tax paid to another state, there must be attached to the Mississippi income tax return a copy of the income tax return filed with the other state and proof of payment of tax. A copy of the Wage and Tax Statement indicating tax withheld is not considered proof of payment of the liability to another state.

INCOME SUMMARY

Table with 6 columns: Total Income Earned Everywhere, Income Earned in State of, Income Earned in State of, Income Earned in State of, Total Out of State Income. Rows include Total Income, Standard or Itemized Deduction(s), Exemption, and Taxable Income.

COMPUTATION OF TAX CREDIT

Table for Ratio (divide amounts on line 4, columns 3, 4 and 5 by the amount on line 4, column 6). Columns for Column 3, Column 4, Column 5, and Column 6.

OTHER STATES INCOME AT MISSISSIPPI RATES

Table for Other States Income at Mississippi Rates. Includes columns for Total Income Tax, Column A, Rates, Column B, and MULTIPLY TAX COMPUTED AT LEFT BY RATIO ABOVE. Rows include First \$5,000 or part, Next \$5,000 or part, Remaining Balance, Tax credit computed, Income tax due to other states, and Enter the lesser of line 9 or line 10.

12 Enter amount of income tax due (from Form 80-105, page 1, line 17 or Form 81-110, page 1, line 2) 12 999999999

13 Allowable tax credit for tax paid to other states (the lesser of line 11, column 6 or line 12; enter here and on Form 80-105, page 1, line 18 or on Form 81-110, page 1, line 3) 13 999999999

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08 If you are a resident of Mississippi who earns income in another state and are required to pay an income tax to that other state, you are allowed to
09 take a credit against your Mississippi income tax due in the same year for the total income tax due to the other state (subject to certain limitations). The
10 withholding amounts shown on your W-2 forms are **NOT** the same as actual tax paid to the other state. Copies of withholding statements are not
11 sufficient to establish the credit. In order to be allowed this credit, you **MUST** file an income tax return with the other state **and** attach a copy of the other
12 state returns along with this Form 80-160 to your Mississippi return.

13 14 Limitations

15 Miss. Code Ann. Section 27-7-77 provides for the following three limitations:
16 (1) The credit may not exceed the amount of income tax due the State of Mississippi, indicated on line 17;
17 (2) The credit may not exceed the amount of income tax actually paid to the other state; and
18 (3) The credit may not exceed an amount computed by applying the highest applicable Mississippi rates to the net taxable income reported to the other
19 state. Highest rates is defined as the highest rates at which the net taxable income reported to the other state is taxable by the State of Mississippi.

20 Specific Line Instructions

21 22 Income Summary

- 23 Line 1 Enter the total income earned everywhere in column 1 and column 2, if applicable. Enter the income earned in other states separately in
24 columns 3, 4 and 5. The name of each state should be entered above columns 3, 4 and 5.
- 25 Line 2 Enter the standard or itemized deduction(s) claimed on your Mississippi return in column 1 and column 2, if applicable. Enter the standard or
26 standard or itemized deduction(s) claimed on your other state return(s) in columns 3, 4 and 5.
- 27 Line 3 Enter the exemption amount claimed on your Mississippi return in column 1 and column 2, if applicable. Enter the exemption amount claimed
28 on your other state return(s) in columns 3, 4 and 5. Allocate deductions and exemptions to the taxpayer and/or spouse in the same manner
29 as state return(s).
- 30 Line 4 Enter the taxable income in columns 1 through 5 by subtracting line 2 and line 3 from line 1. Enter the total out of state taxable income in
31 column 6 by adding columns 3, 4 and 5.

32 33 Computation of Tax Credit

- 34 Line 5 Enter the ratio by dividing amounts on line 4, columns 3, 4 and 5 by the amount on line 4, column 6.
- 35 Line 6 Enter the first \$5,000 of taxable income or part (\$0 - \$5,000) of amount in line 4, column 6 on line 6, column A. Enter the total income tax in
36 column B by multiplying column A by 3%. Enter the percentage of tax due by multiplying the amount in Column B by the ratio amounts in line 5,
37 columns 3, 4 and 5.
- 38 Line 7 Enter the next \$5,000 of taxable income or part (\$5,001 - \$10,000) of amount in line 4, column 6 on line 7, column A. Enter the total
39 income tax in column B by multiplying column A by 4%. Enter the percentage of tax due by multiplying the amount in Column B by the ratio
40 amounts in line 5, columns 3, 4 and 5.
- 41 Line 8 Enter the remaining balance of taxable income (\$10,001 and above) of amount in line 4, column 6 on line 8, column A. Enter the total
42 income tax in column B by multiplying column A by 5%. Enter the percentage of tax due by multiplying the amount in Column B by the ratio
43 amounts in line 5, columns 3, 4 and 5.
- 44 Line 9 Enter the computed tax credit by adding lines 6 through 8 in columns 3, 4 and 5.
- 45 Line 10 Enter the income tax due to other states (from other state return(s) and attach a copy of the other state return(s).)
- 46 Line 11 Enter the lesser of line 9 or line 10, columns 3, 4 and 5. Enter in column 6 the total of columns 3 through 5.
- 47 Line 12 Enter the amount of income tax due on Form 80-105, page 1, line 17 or Form 81-110, page 1, line 2.
- 48 Line 13 Enter the amount of allowable tax credit for tax paid to other states (The lesser of line 11, column 6 or line 12; enter here and on Form 80-105,
49 page 1, line 18 or on Form 81-110, page 1, line 3.)

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