To: Members of the Mississippi House of Representatives  
From: Americans for Tax Reform  
Re: Eliminate the Income Tax

Dear Representative,

On behalf of Americans for Tax Reform (ATR) and our supporters across Mississippi, I thank you for your public service in these challenging times and encourage you to use the 2021 legislative session to enact policies that would help households and employers recover from the pandemic-driven downturn. Reducing, and ultimately, phasing out the income tax would be a great way to provide much-needed relief to individuals, families, and small businesses across the Magnolia State while also attracting new investment, jobs, and opportunities.

Under the status quo, Mississippi’s top income tax rate of 5 percent – the part of the income tax that is most often used to make decisions about investment – is not competitive. Three of its neighbors – Florida, Tennessee, and Texas – do not impose income taxes at all. Mississippi’s individual income tax ranks only 27th best in the Tax Foundation’s 2021 Business Tax Climate Index.

As more and more people and jobs continue to move into no income tax states, more and more states in the Southeast and across the country are looking to phase out their income taxes. Unless Mississippi gets proactive, it will soon be a less attractive place to live, invest, do business, and raise a family.

As such, lawmakers should prioritize putting the state income tax on the path to zero. This pro-growth tax relief would promote a strong and speedy economic recovery by allowing individual taxpayers and families to keep more of their hard-earned paychecks. It would also allow small business, which file their taxes under the individual code, to invest more resources in jobs and higher wages.

In addition, eliminating the job-killing income tax would enable Mississippi to compete with the likes of Tennessee, Florida, and Texas for businesses that are looking to expand, investors who are looking for growing economies, and families who are looking for greater opportunities. Phasing out the state income tax would ultimately be a huge win for current Mississippi residents, as new businesses and investment would bring new jobs and higher wages to the state.

ATR urges lawmakers to use the 2021 legislative session to begin to phase out the state income tax. This would provide much-needed tax relief to Mississippians and small businesses while also attracting new jobs and opportunities.

Sincerely,

Grover Norquist  
President  
Americans for Tax Reform