

Mississippi  
**Withholding on the Sale of Real Property  
by a Non-Resident**



---

**Instructions**

---

A purchaser of real property and associated personal property from a non-resident must withhold 5% of the gross proceeds of the sale when the gross proceeds of the sale exceed \$100,000. If the amount required to be withheld exceeds the net proceeds payable to the seller, then the purchaser shall withhold and remit the net proceeds. If the seller determines that this would result in excess withholding, then the seller may furnish to the purchaser an affidavit signed under penalties of perjury, stating the amount of the gain and the way it is computed. The purchaser may then withhold the applicable percentage of the gain required to be recognized, if any, as stated in the affidavit. A copy of the affidavit must be attached to this form when sent to the State Tax Commission. The buyer shall be personally liable to the State Tax Commission for any amount required to be withheld and not paid over to the State Tax Commission. A corporation registered to do business in Mississippi is considered a resident of the State.

This form has four parts. Part 1 is to be sent to the State Tax Commission with the remittance of the withheld amount. Part 2 is for the seller to attach to his income tax return when credit is claimed for the withheld amount. Part 3 is to be retained by the buyer. Part 4 is for the seller to retain for his records. Schedules A, B, and C on page 2 are to be used to compute the amount of withholding. If there is more than one seller involved in a sale of property, parts 2, 3, and 4 must be prepared for each seller. To determine whether the \$100,000 floor has been exceeded, the total amount paid to all sellers must be used.

This form, along with payment of withheld amounts, is due by the fifteenth day of the month following the month of withholding.

For more detailed information, please contact the address below, requesting an information package.

**Mississippi State Tax Commission  
Income Tax Division  
P.O. Box 23050  
Jackson, MS 39225-3050**

# Mississippi Withholding on the Sale of Real Property by a Non-Resident

Y Y Y Y

Part 1 - To be furnished by the buyer to the State Tax Commission

Page 2

### Schedule A - Computation of the Total Tax to be Withheld and Remitted

1. Enter Total from Schedule B, Column E Below.....	
2. 5% of Amount on Line 1.....	
3. Net Proceeds to be Paid to the Seller.....	
4. Amount to be Paid with this Return - Enter the Lesser of Line 2 or Line 3.....	

### Schedule B - Computation of Gross Proceeds or Gain Subject to Withholding

Column A	Column B	Column C	Column D	Column E
Seller's Name and Address	Percentage of Ownership	Share of Gross Proceeds	Gain Furnished in Affidavit	Amount Used for Computing Tax Withheld
Total. Enter the amount in Column C unless you have an affidavit from the seller attached to this form showing a smaller amount entered in Column D. If so, enter the amount from Column D. Enter this amount on Schedule A Line 1.				

### Schedule C - Distribution of Tax Withheld

Seller's Name	Percentage of Ownership	Share of Gross Proceeds	Gain Furnished in Affidavit	Identification Number	Tax Withheld
Totals.....					

Purchaser's Name \_\_\_\_\_

Purchaser's Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Date, description, location, and tax map parcel number of property sold \_\_\_\_\_

\_\_\_\_\_  
Purchaser's Signature
Date
Purchaser's Identification Number

# Mississippi Withholding on the Sale of Real Property by a Non-Resident



Part 2 - To be attached to the seller's return when credit is taken.

Seller's Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_

Purchaser's Identification Number

Purchaser's Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_

Seller's Identification Number

Share of Gross Proceeds .00

Amount of Gain Reported in Affidavit .00

Amount of Tax Withheld for this Seller.  
Credit should be claimed as an Estimate Payment .00



Detach Here

# Mississippi Withholding on the Sale of Real Property by a Non-Resident



Part 3 - To be retained by the buyer for his records.

Seller's Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_

Purchaser's Identification Number

Purchaser's Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_

Seller's Identification Number

Share of Gross Proceeds .00

Amount of Gain Reported in Affidavit .00

Amount of Tax Withheld for this Seller.  
Credit should be claimed as an Estimate Payment .00



Detach Here

# Mississippi Withholding on the Sale of Real Property by a Non-Resident



Part 4 - To be retained by the seller for his records.

Seller's Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_

Purchaser's Identification Number

Purchaser's Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_

Seller's Identification Number

Share of Gross Proceeds .00

Amount of Gain Reported in Affidavit .00

Amount of Tax Withheld for this Seller.  
Credit should be claimed as an Estimate Payment .00



# Mississippi Affidavit for Withholding Income Tax on Sale of Real Estate by Non-Resident

\_\_\_\_\_, duty swears under penalty of perjury the following facts:  
Seller's Name

1. Seller's Name and Address \_\_\_\_\_ Address \_\_\_\_\_  
\_\_\_\_\_  
City State ZIP

2. Description, Location and Tax Map Parcel Number of Property Sold \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Buyer's Name and Address \_\_\_\_\_ Buyer's Name \_\_\_\_\_  
\_\_\_\_\_  
Address \_\_\_\_\_  
City State ZIP

4. The Total Sales Price Is \_\_\_\_\_ Closing Date \_\_\_\_\_

5. The Gain to be Reported on the Seller's MS Income Tax Return-Page 2, Schedule A, Line 5 \_\_\_\_\_

6. Income Tax at 5% of the Gain on Line 5 \_\_\_\_\_

7. The Net Proceeds Payable to the Seller-Page 2, Schedule B, Line 5 \_\_\_\_\_

8. Income Tax Amount Required to be Withheld and Remitted to the MS Tax Commission  
Enter the Smaller of Line 6 or Line 7 \_\_\_\_\_

9. The Seller Will File All State Income Tax Returns Due.

Witness My Signature, This The \_\_\_\_\_ Day Of \_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
State of

\_\_\_\_\_  
Social Security Number or ID Number of Spouse

\_\_\_\_\_  
County of

\_\_\_\_\_  
Seller's Signature

This Day Personally Appeared Before Me, The Undersigned Authority of Law in and for Said County and State, the Above Signed Seller Who Acknowledges that He Signed and Delivered this Affidavit on the Day and Year and for the Purposes Mentioned Therein.

\_\_\_\_\_  
Signature of Spouse

Given Under My Hand and Seal, This The \_\_\_\_\_  
Day Of \_\_\_\_\_, 20 \_\_\_\_\_

**Mail To MS State Tax Commission  
P.O. Box 23050  
Jackson, MS 39225-3050**

My Commission Expires \_\_\_\_\_

\_\_\_\_\_  
Notary Public

# Mississippi Affidavit for Withholding Income Tax on Sale of Real Estate by Non-Resident

Page 2

Only Mortgages and Liens on the Property Being Sold May be Deducted from the Sales Price. Mortgages, Liens or Advances on Credit Lines in Contemplation of the Sale Cannot be Deducted Unless, the Buyer can Presume that any Mortgage, Lien or Credit Lines Made More than One Year Before the Closing are Not in Contemplation of the Sale and May be Deducted. If the Mortgage, Lien or Credit Line Advance is Made Less Than One Year Prior to the Closing, the Buyer Cannot Deduct the Mortgage, Lien or Credit Line Advance Unless the Buyer Obtains an Affidavit from the Seller, Which States that the Loan or Advance was not Made in Contemplation of the Sale and Meets the Requirements and Includes All of the Information Contained In this Affidavit.

## Schedule A - Computation of Gain

1. Total Sales Price.....	_____
2. Less Selling Expenses - Attorney Fees.....	_____
Real Estate Commission.....	_____
Termite, Heating & Air Letter Fees.....	_____
Other - List _____	_____
_____	_____
_____	_____
3. Net Sales Price.....	_____
4. Less Tax Basis.....	_____
5. Gain For Tax Purposes.....	_____

## Schedule B - Computation of Net Proceeds

1. Total Sales Price.....	_____
2. Less Selling Expenses - Attorney Fees.....	_____
Real Estate Commission.....	_____
Termite, Heating & Air Letter Fees.....	_____
Other - List _____	_____
_____	_____
_____	_____
3. Net Sales Price.....	_____
4. Less Mortgages, Liens or Advances on Credit Lines Not Made in Contemplation of the Sale (See Above).....	_____
5. Net Proceeds Payable to the Seller.....	_____