

Mississippi Gulf Coast Economic Snapshot



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Mississippi Gulf Coast Economic Highlights

- The combined, three-county sales tax base on the Mississippi Gulf Coast has grown in ten of the last eleven months.
- Over the last six months, the Mississippi Gulf Coast's sales tax base has grown by roughly 4%, while the overall state of Mississippi's sales tax collections have increased by 2.1%.
- Excluding gaming taxes, tourism-related special taxes on the Mississippi Gulf Coast are up 6.8% over the last six months when compared to the same period prior year. When comparing recent performance to competing markets such as New Orleans, Gulf Shores, and the Florida panhandle, the Mississippi Gulf Coast is performing at similar levels (relative to prior year).
- New developments including significant casino reinvestment, a potential minor league baseball franchise development in Biloxi, new defense contracts, and growing retail centers will position the region for additional economic growth.

Focus: Sales Tax Collections

Sales tax diversions¹ are one of the key benchmarks used to gauge economic activity on the Mississippi Gulf Coast. Comparing activity from the first quarter of 2013 to prior year suggests that the aggregate economy on the Mississippi Gulf Coast continues to grow. At the county level, Hancock County, likely influenced by the addition to Diamondhead, experienced the largest (11.4%) percentage gain, while Jackson (3.2%) and Harrison (1.7%) also expanded their respective sales tax bases.

Table 1: First Quarter Sales Tax Diversions (actual month of sale)

Source: Mississippi Department of Revenue

	2013	2012	2013 vs 2012	2008 (pre-recession)	2013 vs 2008
BAY ST LOUIS	328,257	258,514	27.0%	326,227	0.6%
BILOXI	2,601,298	2,507,729	3.7%	2,672,218	-2.7%
DIAMONDHEAD*	108,308	78,566	37.9%	0	NA
D'IBERVILLE	1,448,568	1,403,498	3.2%	1,091,097	32.8%
GAUTIER	536,683	521,088	3.0%	622,989	-13.9%
GULFPORT	4,695,602	4,697,511	0.0%	5,293,271	-11.3%
LONG BEACH	334,145	322,786	3.5%	384,047	-13.0%
MOSS POINT	390,892	378,638	3.2%	428,797	-8.8%
OCEAN SPRINGS	1,055,564	1,059,485	-0.4%	1,103,024	-4.3%
PASCAGOULA	1,378,831	1,298,167	6.2%	1,631,415	-15.5%
PASS CHRISTIAN	270,338	258,329	4.6%	83,695	223.0%
WAVELAND	516,941	519,230	-0.4%	1,146,274	-54.9%
Combined Cities	\$13,665,426	\$13,303,541	2.7%	\$14,783,056	-7.6%

*Diamondhead began receiving sales tax collections in March 2012.

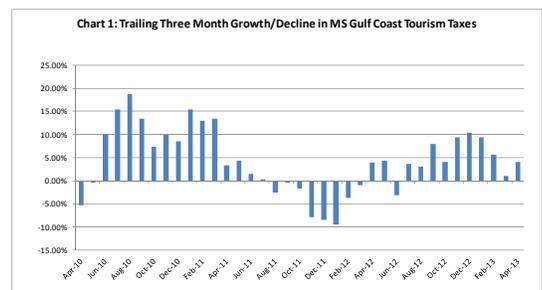
¹Cites receive 18.5% of sales taxes which are collected, while the state receives 81.5%.

About GCBC

The Gulf Coast Business Council engages top executives of businesses – large and small – to be the united voice on public policy issues important to the Mississippi Gulf Coast, to serve as a facilitating organization and help develop future leaders. The Gulf Coast Business Council champions common economic and business interests through identifying issues, convening resources, framing public policy and finding solutions for the Mississippi Gulf Coast. Sound research serves as a foundation for the Business Council's program of work. Please visit www.msgcbc.com/research to download other examples of research published by the Gulf Coast Business Council.

Update: Tourism

While the Mississippi Gulf Coast's gaming industry has been challenged in recent months by new competition in Baton Rouge and continued competition from tribal casinos in Alabama, the region's overall \$1.7 billion tourism industry is entering the peak 2013 tourism season with some momentum. Non-gaming special tourism tax collections are up by roughly 7% over the last six months and legislation passed this year which will expand the existing Harrison County Tourism Commission into a regional destination marketing organization should provide a needed foundation to optimally promote the region's tourism assets.



Non-gaming special tourism taxes on the Mississippi Gulf Coast have increased in 13 of the last 15 months.