

## TAX INCENTIVE PROGRAMS

The following tax incentives are available through the Business Incentives Division of the Louisiana Department of Economic Development, P.O. Box 94185, Baton Rouge, LA 70804-9185, , [www.led.state.la.us](http://www.led.state.la.us).

**Note: A number of these programs require an Advanced Notification form and fee be submitted to Louisiana Economic Development (LED) prior to any construction, renovations, purchases, etc. If you fail to submit this Advanced Notification, you will not be eligible to participate in the program(s). You may complete the application online at [www.led.state.la.us/businessresources/adv\\_noti.asp](http://www.led.state.la.us/businessresources/adv_noti.asp).**

### Enterprise Zone

**(Advanced Notification to the state required)** Louisiana's Enterprise Zone Program provides tax credits and sales and use tax refunds to businesses that hire at least 35% of their new employees from one of four targeted groups. Businesses and their contractors receiving State tax rebates or credits under the EZ program are encouraged to give consideration to Louisiana manufacturers, suppliers, contractors, and labor for their project. A one time \$2,500 tax credit is generated for each certified net new job created (\$5,000 tax credit for net new job for certain automotive or aerospace companies). An additional \$2,500 tax credit may be generated in the second year of employment if the new employee is certified as receiving assistance through the Family Independence Temporary Assistance Program (FITAP). (Participation in this program excludes the use of the Quality Jobs Program.) **Contact: (225) 342-9228, [www.led.state.la.us/businessresources/pdf/EZ\\_Facts.pdf](http://www.led.state.la.us/businessresources/pdf/EZ_Facts.pdf).**

### Industrial Property Tax Exemption

**(Advanced Notification to the state required)** New and expanding manufacturers are eligible to receive five-year property tax exemptions, renewable for an additional five years on new capitalized purchases. The exemption may include buildings, machinery, equipment, furniture, and fixtures for new, expanded, or renovated facilities. As with other business incentives provided by the State of Louisiana, in considering applications for property tax exemptions, the Board of Commerce and Industry requests that the business and its contractors give preference to Louisiana manufacturers, suppliers, contractors, and labor. **Contact: (225) 342-5254, [www.led.state.la.us/businessresources/pdf/ITE\\_Facts.pdf](http://www.led.state.la.us/businessresources/pdf/ITE_Facts.pdf).**

### Louisiana Quality Jobs Program

**(Advanced Notification to the state required)** Louisiana's Quality Jobs Program provides an annual rebate for up to 10-years of 5% of gross annual payroll for minimum hourly wage rates of \$9.01, or 6% of gross annual payroll for minimum hourly wage rates of \$11.59. The employer must offer a basic health plan (basic hospital care and basic physician care) within 90 days of qualifying for the program. For employees whose wages are less than \$50,000 per year, the employer must pay at least 85% of the total premium for health insurance coverage for full-time employees, or at least 50% of the total premium for health insurance coverage for full-time employees and their dependents. For employees whose wages are equal to or greater than \$50,000 per year, the amount of the employer decreases from contribution from 85% to 70% for those employees. In addition, the program also provides a rebate of state sales/use tax (4%) on materials for building materials, machinery and equipment purchased during the construction period and used exclusively on site. (Participation in this program excludes the use of the Enterprise Zone Program.) **Contact: (225) 342-5402, [www.led.state.la.us/businessresources/pdf/qualityjob\\_facts.pdf](http://www.led.state.la.us/businessresources/pdf/qualityjob_facts.pdf).**

### Film and Video Sales/Use Taxes Refund Program

This program refunds three of the four cents of Louisiana state sales/use taxes paid out by motion picture production companies that film in the state and pay sales/use taxes on a minimum of \$1 million in purchases in the state. **Contact: Office of Film & Television Development, (888) 655-0447, [www.lafilm.org](http://www.lafilm.org).**

### Restoration Tax Abatement

**(Advanced Notification to the state required)** The RTA Program is an economic development incentive created for use by participating municipalities and local governments to encourage the

expansion, restoration, improvement, and development of existing commercial structures and owner-occupied residences in Downtown Development Districts, Economic Development Districts, or Historic Districts. The RTA program does not exempt the acquisition cost of the structure. In addition, only equipment which becomes an integral part of that structure can qualify for this exemption (not machinery and equipment used in the business, i.e.: retail gondolas or movable property such as furniture and fixtures, etc.). **Contact your local chamber of commerce or city/town hall, <http://www.lamunis.org/>, to determine if your project will qualify for this program.**

### **Freeport Law**

(Administered by your local Parish Tax Assessor) Louisiana's Freeport Law exempts goods and commodities in public or private storage from property taxes while moving through Louisiana in interstate commerce to a final destination outside the state. Goods must remain in the original containers. Goods imported into Louisiana from outside the United States are likewise exempted from property taxes so long as they remain in their original containers. **Contact:** [www.louisianaassessors.org/Assessors/Assessors.htm](http://www.louisianaassessors.org/Assessors/Assessors.htm).

### **Inventory Tax Credit**

Manufacturers, distributors, and retailers are allowed a 100% credit against state corporate income and franchise taxes in the amount of local inventory taxes they pay. When the amount of the inventory tax exceeds the aggregate state corporate tax liability, a refund is made by the state in the amount of the excess. **Contact:** For the phone number and address of your local office of the Louisiana Department of Revenue go to [www.rev.state.la.us/sections/aboutus/offices.asp](http://www.rev.state.la.us/sections/aboutus/offices.asp)