



**LAFAYETTE PARISH ASSESSOR, CONRAD COMEAUX**  
 IS PROVIDING THIS INFORMATION DEVELOPED BY THE  
**LAFAYETTE ECONOMIC DEVELOPMENT AUTHORITY**  
 TO INFORM YOU OF

# Business Incentives Available

## Louisiana Economic Development Awards

The Louisiana Economic Development Awards Program (EDAP) provides grants for publicly-owned infrastructure to assist industrial and business development projects promoting economic growth. The EDAP is administered by Louisiana Economic Development to public or quasi-public state entities or political subdivisions of the state (LEDA) and private companies who serve as beneficiaries of the award. The private company must be creating or retaining a minimum of ten permanent jobs. The minimum award request for this program is \$25,000 which can be used to pay for engineering and architectural expenses, site acquisition, site preparation, construction costs, building materials, and capital equipment.



## Industrial Property Tax Exemption

The Industrial Property Tax Exemption program is Louisiana's original incentive program for manufacturers' capital investments. It may be used by manufacturers that are new to the State, or for new investments and miscellaneous capital additions to existing facilities in Louisiana. The program abates local property taxes (Ad Valorem) up to ten years on a manufacturer's new investment and annual capitalized additions. This exemption applies to all improvements to the land, buildings, machinery, equipment, and any other property that is part of the manufacturing process. Applicants for this incentive are reviewed by the State of Louisiana by the Board of Commerce and Industry. Tax exempt property must remain on the plant site at all times. The land itself is not eligible for tax exemption.

**Contact Henry Florsheim at (337) 593-1409 or [henryf@lafayette.org](mailto:henryf@lafayette.org) to find out more about these incentives!**

## Louisiana's Film Tax Incentives

The Louisiana Film and Video Commission offers three tax incentive programs to help stimulate the number of nationally distributed motion pictures, videos, television and commercials that are made in Louisiana. These incentives include offering a point-of-sale State tax exemption; a labor rebate of up to 20% that can be applied toward the salaries of Louisiana residents; and an investment tax credit of up to 15% that can be claimed for investing in Louisiana-based productions. All three of these benefits are available to production companies at the same time.

For more information regarding these incentives or to find out more about the Louisiana Film and Video Commission visit their website at [www.lafilm.com](http://www.lafilm.com).

## Get Tax Rebates with the Enterprise Zone Program



New job creation is the cornerstone for many of the tax incentives offered by the state of Louisiana, and the Enterprise Zone program is no exception. Any business (other than those involved in gaming, churches or residential developments) who will be adding new permanent jobs, either full-time or part-time, may qualify. A \$2,500 tax credit may be earned for each net new permanent job created during your growth period; this credit may be used towards your state income or franchise taxes. Thirty-five percent of these new jobs must be filled by applicants from one of four categories: residing in an Enterprise Zone, receiving some form of public income or employment assistance, lacking basic skills, or physically challenged. In addition, if this period of growth involves the construction of a new facility or the expansion of your existing property, you may also be eligible for a rebate of the 4% State sales tax on materials used in construction, and on machinery and equipment purchased as part of the permanent facility. For example, if you are building an expansion to your existing facility, and you are hiring 10 new people, that would equal a tax credit of \$25,000 for those ten new jobs. If the taxable cost of your new building, including materials used in construction and permanent machinery and fixtures, is \$500,000, then you could receive a \$20,000 rebate of the State sales tax. The Advance Notification form is the first step in applying for this program. Qualifying for the Enterprise Zone Program is simple, and LEDA is glad to walk you through the steps.

## Refund Your Money with the Quality Jobs Program

The Louisiana Quality Jobs Program offers payroll and sales tax rebates to companies who create quality jobs for Louisiana citizens. Quality jobs are those jobs that pay at least 1.75 times the federal minimum hourly wage rate, or \$9.01 an hour; offer a basic health care plan covering at least 85% of the total premium for a full-time employee; and are part of Louisiana's Vision 2020 cluster industries. The company may receive a rebate of up to six percent of the new gross annual payroll depending on the wages paid to these new employees. These jobs should be created in a distressed region or with an employer categorized in a traditional or seed cluster. In addition, the company may also receive a rebate of State sales/use tax on materials purchased for new infrastructure, machinery, and equipment purchased during the construction period and used exclusively on site. To be eligible for the Louisiana Quality Jobs Program, a company needs to meet several requirements, including payroll size (minimum of \$250,000 annually) and number of new hires. For more information or to see if your company is eligible, visit [www.lded.state.la.us](http://www.lded.state.la.us) or contact Henry Florsheim at LEDA at (337) 593-1409.

## Want FREE Training for your Employees? Big or Small Your Company May Qualify

The Incumbent Worker Training Program is designed to benefit business and industry by providing customized training to employees in order to update skills, increase overall company productivity, create new jobs, and increase the wages of participants. The program is also designed to prevent job loss caused by obsolete skills, technological change, or national or global competition.

Companies that have operated in the state for at least three years, have 50 or fewer employees, and are in compliance with Unemployment Insurance tax obligations may qualify for up to \$3,000 per employee per fiscal year for standardized workforce training.

To find out more about this program or other Workforce Development programs, contact Adrienne Young at (337) 593-1405 or [adrienny@lafayette.org](mailto:adrienny@lafayette.org).

## Inventory Tax Program

The state of Louisiana may apply an offsetting tax credit to compensate manufacturers, retailers, and distributors for ad valorem taxes paid on inventories. These credits may be applied against State corporate franchise taxes and corporate and personal income taxes. In the event that the local inventory tax credit exceeds aggregate state income and franchise tax liability, a refund may be made by the state in the amount of excess. This tax credit was created to ensure manufacturers, distributors and retailers of no inventory tax liabilities.

## Sales Tax on Equipment

In 2004, Governor Kathleen Blanco led a successful campaign with the Louisiana Legislature to remove sales taxes being paid on manufacturing machinery and equipment. The exclusions will be phased in over six years beginning July 1, 2004, with a 5 percent reduction in taxes paid. For more information on the Emergency Rule Regarding Manufacturing Equipment Sales Tax developed by the Department of Revenue, visit the Department's website at [www.revenue.louisiana.gov/forms/lawspolicies/LAC61\\_I\\_4301\\_8.pdf](http://www.revenue.louisiana.gov/forms/lawspolicies/LAC61_I_4301_8.pdf).

## Restoration Tax Abatement Program

The Restoration Tax Abatement (RTA) Program is an economic development incentive created for use by 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. Equipment that becomes an integral part of the 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.) The RTA program does not exempt the acquisition cost of the structure.

The RTA program grants a five year deferred assessment of the ad valorem property taxes normally assessed on renovations and improvements. A contract may be renewed for a second term of five years if approved by the local governing authority. Commercial property owners and homeowners who expand, restore, improve, or develop an existing structure in a qualifying district, after completion of the work, pay ad valorem taxes based on the assessed valuation of the property prior to the commencement of the improvements. The tax abatement is not available if property taxes have been paid on the improvements made by the project. If the property is sold, the contract may be transferred, subject to local government and Board approval.

## On-The-Job Training

On-the-Job Training (OJT) is an incentive program that offers businesses a way to receive wage reimbursement while training their employees. With OJT, a business can hire eligible individuals or take existing employees and train them to meet the company's needs. In turn, the employee learns the appropriate procedures and skills necessary to fulfill the requirements of the job. In addition to gaining a qualified employee, the employer can receive 50% of a trainee's wages during the period of time it takes the employee to achieve proficiency in the occupation. The basic guidelines of the program are that the business has Worker's Compensation Insurance, a Louisiana Unemployment insurance number or proof of exemption, as well as an Internal Revenue Service identification number. For more information contact Adrienne Young at (337) 593-1405 or email her at [adrienny@lafayette.org](mailto:adrienny@lafayette.org)

## ADVANCE Notification

The Advance Notification form is the first step to take when applying for the following tax incentive programs:

**Enterprise Zone Program**

**Quality Jobs Program**

**Industrial Property Tax Exemption Program**

**Restoration Tax Abatement Program**



Why is this document so important? The advance notification form lets the State know that a project is about to begin. Any work performed prior to filling out and submitting the form cannot be counted toward the project.

**There are two ways to fill out the advance notification form.**

- 1. Go to [www.laemall.com](http://www.laemall.com) and under business incentives select the program you wish to apply for. Then click on the link to Advance Notification Form. There is a six step application form to fill out and a \$100 fee for each program notification form.**
- 2. Contact LEDA to request a hard copy of the form.**

The Advance Notification Form is NOT the formal application for the program. This is to inform the State of your project and to request the formal application for the desired program. LEDA can help walk you through the Advance Notification process.