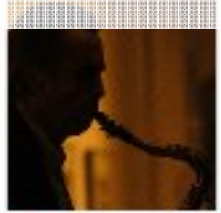


# Lafayette Economic Development Authority

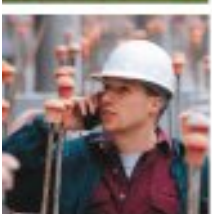


Presenter:  
Mark D. Mouton



# Economic Development

Economic Development can be defined as a program, group of policies, or activity that seeks to improve the economic well-being and quality of life for a community by creating and/or retaining jobs that facilitate growth and provide a stable tax base.



**Starting Your Business:** Market Analysis, Research  
Competitive and Complementary Businesses, Identify Resources

**Expanding Your Business:** Visitation Program:  
Evaluate Strengths and Concerns; Workforce Issues; Networking  
Opportunities; Site Selection and Real Estate; and Program  
Assistance (Federal, State & Local)

**Relocating Your Business:** Market Community;  
Site Selection and Real Estate; Ombudsman Services; Match-Making  
and International Relations; and Program Assistance (Federal,  
State & Local)



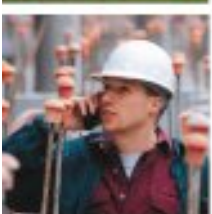
# Business Retention & Expansion

## Proactive Approach:

- Visitation Program
- Relationship Building, Partnerships and Networking
- Seminars and Workshops

## Reactive Approach:

- Expansion and Retention Notification
- Community Leadership, Industry or Business Concerns
- Workforce Issues or Concerns



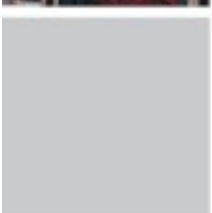
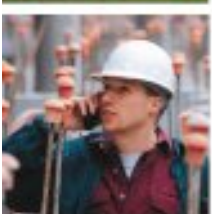
# Business Programs

## Enterprise Zone

- A jobs incentive program that provides a one-time \$2,500 LA income or franchise tax credit to a business that create certified net new jobs
- Rebates 4% sales/use tax on materials, machinery, furniture, or equipment or 1.5% Refundable Investment Tax Credit can be earned

## Quality Jobs

- A jobs incentive program that provides 5% or 6% cash rebate, for up to 10 years, to companies that create certified net new well-paying jobs
- Business must be in a target industry; or have at least 50% of annual sales out-of-state or in-state customers that resell to federal government



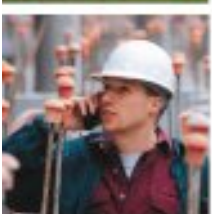
# Business Programs

## Restoration Tax Abatement

- Program provides for a five-year property tax abatement for the expansion, improvement and development of existing commercial structures and owner-occupied residences (Downtown Development Districts and Economic Development Districts or Historic Districts)

## Industrial Property Tax Program

- Provides property tax abatement for up to 10 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



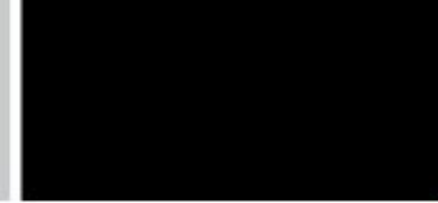
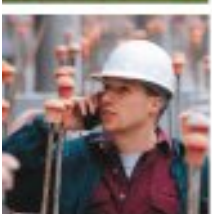
# Business Programs

## Digital Media and Software Program

- Program provides a tax credit of 25% of qualified production expenditures for state-certified digital interactive productions in Louisiana
- 35% tax credit on payroll expenditures for Louisiana residents

## Research & Development Tax Credit Program

- Encourages existing businesses with operating facilities in LA to establish or continue research and development activities within the state
- Provides a company with less than 50 employees a credit of up to 40% of the apportioned amount of their expenditures

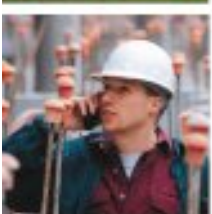


# Example I:

Technology company plans to create 10 new jobs; budgets \$500,000 in building expenses; and budgets \$50,000 in software production expenses and \$30,000

- ❑ Enterprise Zone Program:
  - \$25,000 (job creation)
  - \$20,000 (State Sales Tax Rebate) or \$7,500 (Refundable Tax Credit)
- ❑ Restoration Tax Abatement:
  - \$36,116.25 (5 yr. total) or \$7223.25 tax savings per year
- ❑ Digital Media and Software Program
  - \$12,500 (digital interactive media expenditures)
  - \$10,500 (payroll expenditures)

○ Total Tax Saving: \$104,116.25



## Example II:

Manufacturing company plans to create 20 new jobs at \$50,000 per job; budgets \$750,000 in building refurbishment expenses; budgets \$75,000 in research and development expenditures.

Quality Jobs Program:

- \$600,000 (10 yr. total) [\$60,000 rebate per year]
- \$30,000 (State Sales Tax Rebate) or \$11,250 (Refundable Tax Credit)

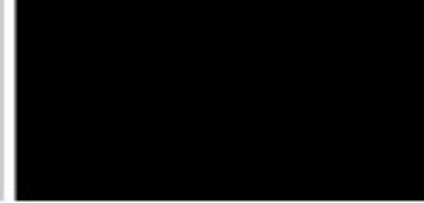
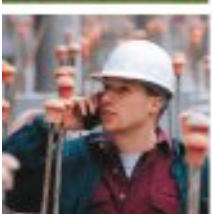
Industrial Property Tax Abatement:

- \$96,187.50 (10 yr. total) or \$9607.50 tax savings per year

Research and Development Program

- \$ \$30,000

○ Total Tax Saving: \$756,187.50



# Allies and Assets

- Lafayette Economic Development Authority (LEDA)
- **Acadiana Economic Development Council (AEDC)**
- Chamber of Commerce
- **Downtown Development Authority/Downtown Lafayette Unlimited**
- UL Lafayette: Small Business Development Ctr. (SBDC); Manufacturers Extension Partnership of LA (MEPOL); LA Procurement Technical Assistance Ctr. (LPTAC)
- Louisiana Economic Development
- **Lafayette Convention and Visitors Commission**
- LA Crossroads/Acadiana Arts Council
- **South Louisiana Community College/Acadiana Technical College**
- Lafayette Consolidated Government: LUS, Career & Business Solution Center; Le Centre, Lafayette Entertainment Initiative (LEI)



about Lafayette

data & reports

LEDA services

Commercial Real Estate

Incentives & Taxes

State Incentives

Local Incentives

Taxes

Incentives Matrix

Understanding the Market

Lafayette's Rankings

Top News Stories

**SITE  
SELECTOR  
PORTAL**

The most-requested  
statistics and  
demographic data for  
one-stop research

HOME : RELOCATING : INCENTIVES & TAXES : INCENTIVES MATRIX

Download LEDA's Incentive Matrix by [clicking here](#)

STATE AND FEDERAL INCENTIVES MATRIX

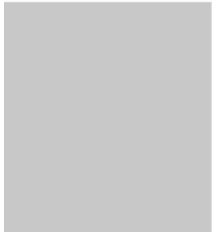
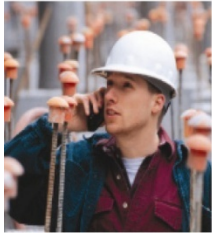
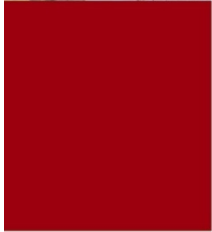
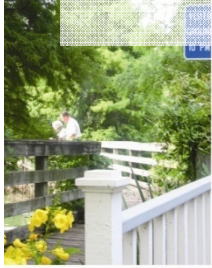
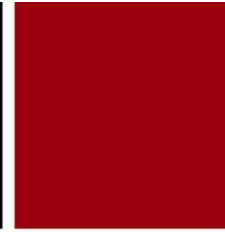
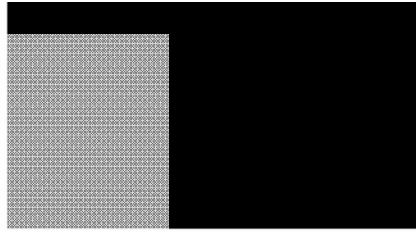
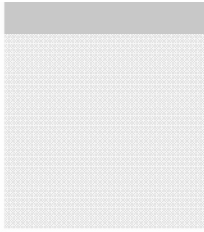
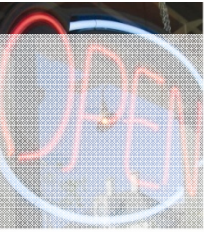
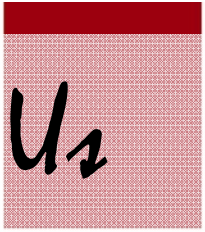
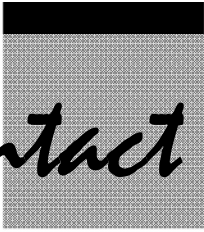
(Not inclusive of all business incentives - Not all available incentives are guaranteed)

Updated - APRIL 2010

FEDERAL		
Site Cost Accelerated Depreciation	The Gulf Opportunity Zone Act provides tax incentives for business development in the parishes most affected by Hurricanes Katrina and Rita, including 50% bonus depreciation and tax exempt bonds. (6/08)	<a href="#">Business Incentives</a>
New Market Tax Credits	Investors in qualified projects can obtain a tax credit of five or six percent of the amount invested for each year the investment is held, for up to seven years of the credit period. (4/10)	<a href="#">US Department of the Treasury</a> <a href="#">LA Economic Development</a>
Workforce Investment Act - WIA	This Federal Program provides funding for state and regional workforce training that is administered by local Workforce Investment Boards. (Lafayette Consolidated Gov't) through <a href="#">Lafayette Business &amp; Career Solutions</a>	<a href="#">US DOL - Institute for Business &amp; Career Solutions Center</a>
Revolving Communities	Revolving Communities (RCs) are distressed areas in urban and rural communities that the federal government has targeted for development and where businesses are eligible for billions of dollars in tax incentives. (4/10)	<a href="#">US Department of Housing &amp; Urban Development</a> <a href="#">www.revolvingcommunities.com</a> <a href="#">LA Economic Development</a>
Work Opportunity Tax Credit (WOTC)	Businesses can be eligible for up to \$2,400 federal tax credits for each new qualified employee hired from certain target groups. Can also claim as much as \$4,800 for each new disabled veteran hire, and \$9,000 in federal credits for each long-term welfare (TANF) recipient hired over a 2 year period. (Qualified food stamp recipient, either TANF recipient, qualified veteran, vocational rehab referral, qualified ex-felon, and 30+ recipient.) (4/10)	<a href="#">US Department of Labor</a> <a href="#">LA Workforce Commission</a>
Federal Historic Rehabilitation Tax Credit	Encourages the preservation of historic buildings through incentives to support the rehabilitation of historic and older buildings. Incentive-producing properties that are individually listed on the National Register or a contributing element within a National Register Historic District. Credit is up to 20% of construction costs and fees. (4/10)	<a href="#">Office of Cultural Resources/Division of Historic Preservation</a>
STATE - <a href="#">Guide to Doing Business in Louisiana</a>		
Quality Jobs	The Quality Jobs Program promotes economic development by encouraging businesses to create well-paid jobs in specific clusters. Rebates of 5% to 6% of gross annual payroll for new jobs & may rebate state's 4% sales/tax on new infrastructure, machinery and equipment purchased during construction. (4/10)	<a href="#">LA Economic Development</a>
Enterprise Zone	The Enterprise Zone (EZ) Program is a 2085 incentive program that provides Louisiana income and franchise tax credits to a business hiring a minimum number of net new employees (\$2,500 per 14/10)	<a href="#">LA Economic Development</a>
Industrial Property Tax Exemption	Available exclusively to manufacturers, the Industrial Tax Exemption Program is Louisiana's original incentive program for capital investments. Abolishes local property taxes for 11 years on new investments. (6/10)	<a href="#">LA Economic Development</a>
LA Inventories Tax Credit Program	Louisiana law provides for a credit against income tax and franchise tax for all inventories taxes paid to political subdivisions in Louisiana on inventories held by manufacturers, distributors and resellers. (4/10)	<a href="#">LA Department of Revenue</a>
Incumbent Worker Training Program (IWT)	The program is designed to benefit business and industry by assisting in the skill development of existing employees and increasing employee productivity and the growth of the company through customized training. Company must have been in business for at least 3 years in LA, paying, and in full compliance with LA UI tax system. Business or group of businesses must have at least 25 employees to train during contract. (4/10)	<a href="#">LA Workforce Commission</a> <a href="#">http://www.lawork.com/</a>
Governor's Rapid Response Fund	A permanent \$10 Million annual fund for making major awards to businesses with economic development projects that can potentially create/retain jobs in Louisiana. (4/10)	<a href="#">LA Contracts and Technical College Services 225-332-2800</a>
Retention and Modernization	The purpose of this incentive is to induce business to remain in the state and not relocate outside of the state and to modernize existing business operations in Louisiana. (4/10)	<a href="#">LA Economic Development</a> (no rates as yet)
Registered Apprentice Program	LA Businesses sponsoring a Registered Apprentice program can claim tax credits for all eligible apprentices they employ. The credit is equal to \$1,000 worked for up to a maximum of \$1,000. (4/10)	<a href="#">Louisiana Workforce Commission</a> <a href="#">http://www.lawork.com/Download/1/ShowDetails_2010.aspx?WT</a> <a href="#">LA Economic Development</a>



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