

# INDUSTRIAL TAX EXEMPTION

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*Effective June 24, 2016, changes apply to the Industrial Tax Exemption Program, pursuant to an Executive Order from the Louisiana Governor's Office. View the Executive Order [here](#).*

*Not all changes effective June 24, 2016 are reflected below. Please check again, as updates are ongoing.*

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers an attractive tax incentive for manufacturers within the state. The program abates, up to ten years, local property taxes (Ad Valorem) on a manufacturer's new investment and annual capitalized additions related to the manufacturing site.

## ELIGIBILITY

Businesses must be classified as a manufacturer or related to the manufacturing project in order to receive the benefits of the ITEP program. ITEP is only available for activities related to manufacturers:

A manufacturer, as identified by the federal government, has a North American Industry Classification System (NAICS) code that begins with 31, 32 or 33.

The NAICS is used as a preliminary qualification criterion. If the company does manufacturing but does not have the manufacturing NAICS code, and 50+% of the activities at the site are considered manufacturing, then additional steps are required to determine eligibility.

A detailed description of the activities to be considered manufacturing is provided by the company.

A site inspection will be performed by LED to determine if the activity is manufacturing.

The program can be used by manufacturers new to Louisiana and is also available to existing manufacturers in Louisiana with new investments to existing facilities.

### **Program Rules:**

All incentive program rules are in the Louisiana Administrative Code maintained by the Office of the State Register.

[View the Industrial Tax Exemption Constitutional Provision](#)

[View the Industrial Tax Exemption Rules](#)

Choose Title 13, Economic Development

Go to Part I, Chapter 5

**GETTING STARTED**

**NEXT STEPS**

**ELIGIBILITY SCENARIOS**

**FAQS**

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## **THE PROCESS**

Submit Advance Notification with fee online, and then begin the project (if project is \$5 million or less and will take less than 18 months to complete, skip to step 3).

File for Louisiana Unemployment ID number (if business does not have one) with the Louisiana Workforce Commission to receive NAICS code.

Complete the application online and submit any required addendum material to LED for review.

LED reviews application and submits it to the Board of Commerce and Industry.

If approved, the Board issues contract through LED.

Submit Project Completion Report with fee and Affidavit of Final Cost with fee to LED.

Submit Annual Report to LED.

**APPLY NOW »**

**PROGRAM  
ADMINISTRATION:**

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