

Economic Development Incentives: New Orleans Region



Economic Development Award Program (EDAP)

The economic development award program (EDAP) provides grants for publicly-owned infrastructure to assist industrial or business development projects that promote economic development and that require state assistance. A minimum award request is \$25,000 and the project must create at least 10 permanent jobs in Louisiana. Eligible project costs include engineering and architectural expenses, site acquisition, site preparation, construction expenses, building materials and capital equipment. Contact Clark Forrest at Forrest@lled.state.la.us or visit www.led.louisiana.gov

Film and Video Tax Credit

Investors can receive a tax credit against state income tax for tax payers domiciled and headquartered in Louisiana. If the total base investment is greater than \$300,000 and less or equal to \$8 million dollars, each taxpayer shall be allowed a tax credit of 10% of the actual investment made by that taxpayer. If the total base investment is greater than \$8 million dollars, each taxpayer shall be allowed a tax credit of 15% of the investment made by that taxpayer.

A motion picture production company is entitled to a 10% or 20% tax credit (based on total production costs) for the employment of Louisiana residents associated with film and video production.

A motion picture company may be excluded from Louisiana's 4% sales and use tax in connection with film or video production in Louisiana until January 1, 2007. For more information visit www.lafilm.org

For RPC Program Information Contact:

Caitlin Cain
Economic Development Program Manager
Regional Planning Commission
(504) 568-6611 or ccain@norpc.org

For State Tax Incentive Information Contact:

Roy Mack
Louisiana Economic Development
(504) 391-2746 or consul@bellsouth.net

REGIONAL PLANNING COMMISSION

Regional Planning Commission's Economic Development Programs

Economic Development Administration (EDA)

The U.S. Economic Development Administration (EDA) was established to work with states and localities to generate new jobs, retain existing jobs, and stimulate industrial and commercial growth in economically distressed areas and regions of the United States. EDA has funding assistance available for the following programs: public works, economic adjustment, research and technical issues, local technical training, partnership planning, university centers, and trade adjustment planning. Please refer to www.eda.gov for more information or contact Caitlin Cain at (504) 568-6611.

Delta Regional Authority (DRA)

The U.S. DRA provides funding to economically distressed communities to help leverage other federal and state programs which are focused on basic infrastructure development and transportation improvements, business development, and job training services. Under federal law, at least 75 percent of funds must be invested in distressed counties and parishes with 50 percent of the funds earmarked for transportation and basic infrastructure improvements. For more information on funding opportunities contact Caitlin Cain at (504) 568-6611 or visit www.dra.gov.

Environmental Protection Agency (EPA)

The RPC has funding assistance available from the U.S. EPA's Brownfields Cleanup and Redevelopment program to help municipalities and private organizations conduct environmental investigations (phase I and II), and perform cleanup/remediation on both brownfields and petroleum sites. For more information contact Caitlin Cain at (504) 568-6611 or visit www.epa.gov.

Additional Federal Economic Development Agencies

United States Department of Agriculture Rural Loan Authority (USDA)

USDA works with private sector and community-based organizations to provide financial assistance and business planning in rural areas. USDA provides business and industry loans, rural economic development loans and grants, rural business opportunity grants, rural business enterprise grants, and community facilities grants. For more information refer to www.usda.gov

Housing and Urban Development (HUD)

HUD provides a variety of economic and community development grants and loan programs: [Renewal Community incentives](#); [Economic Development Initiatives \(EDI\)](#) grants used in conjunction with Section 108 loans; [Brownfields Economic Development Initiative \(BEDI\)](#) grants for brownfields clean-up and redevelopment (used in conjunction with Section 108 loans); [Youthbuild](#) grants for at risk teens for use in teaching home construction skills; grants for [rural housing and economic development](#) (including capacity building initiatives); [Section 108 Loan Guarantee](#) program (must be CDBG eligible); and [Section Four Guarantee Recovery Fund](#), which provides financing to rebuild property destroyed by acts of terrorism or arson. For more information about these programs refer to www.hud.gov

Federal Development Incentives

Brownfields Cleanup Deduction

Businesses can deduct qualified cleanup costs associated with remediation of brownfields sites in the tax year the business pays or incurs the costs. Includes costs paid or incurred prior to January 1, 2004

Low Income Housing Tax Credit

10 year credit against federal taxes for owners of newly constructed or renovated rental housing who set aside a percentage of units for low-income persons for a minimum of 15 years. For more information visit www.hud.gov

Federal Development Incentives

Renewal Community (RC) Employment Credit

Businesses can receive a credit against federal taxes (up to \$1,500) for each year of RC designation for every existing employee and new hire who lives and works in the RC. Contact Rodney Littleton at rodneyl@new-orleans.la.us or visit www.renewallouisiana.com

Renewal Community (RC) Commercial Revitalization Deduction (CRD)

Commercial businesses can receive a tax deduction of one-half of qualified revitalization expenditures (expenses associated with new construction or expansion) in the first year a building is placed in service. Mixed-use establishments (total leases) must be at least 80% commercial and must be located in an RC. Contact Rodney Littleton at rodneyl@new-orleans.la.us or visit www.renewallouisiana.com

0% Capital Gains Rate for RC Zone Assets

Businesses located in an RC that have acquired assets between January 1, 2002 and December 31, 2009, will not have to include in gross income any qualified capital gain from the sale or exchange of the asset. Contact Rodney Littleton at rodneyl@new-orleans.la.us or visit www.renewallouisiana.com

Work Opportunity Tax Credit

Businesses can receive a federal tax credit (up to \$2,400) for hiring employees that reside within a Renewal Community (including youth ages 16-24) www.renewallouisiana.com

Increased Section 179 Deduction

Allows businesses to claim increased Section 179 deduction (up to \$35,000) if the business qualifies as an RC business. Reduction can be claimed on depreciable property such as equipment and machinery.

Enterprise Zone (EZ) Facility Bonds

State and local governments can issue EZ facility bonds (a type of tax exempt bond) to make loans at lower interest rates to EZ businesses to finance qualified zone property. Contact Marylyn Friedkin at Friedkin@la.gov or www.led.louisiana.gov

New Markets Tax Credit (NMTC)

Equity investors in Qualified Community Development Entities (CDEs) can obtain a tax credit against federal taxes of 5 to 6 percent of the amount invested for each of the years the investment is held, for up to 7 years of the credit period.

Louisiana Development Incentives

Enterprise Zones (EZ)

The Enterprise Zone (EZ) Program provides Louisiana Income and Franchise tax credits to a business hiring a minimum number of net new employees. A one time \$2,500 tax credit is generated for each net new job created. Sales/Use Tax rebates may be available. A business with NAICS for aerospace or automobile parts manufacturer may qualify for a one time \$5,000 credit. Contact Friedkin@la.gov or www.led.louisiana.gov

Quality Jobs Program

This Program provides a refundable tax credit of 5 to 6% as an incentive to encourage targeted businesses to locate in Louisiana, create quality jobs, and promote economic development. This program is administered by John Jernigan, Department of Economic Development at Jernigan@la.gov or www.led.louisiana.gov

Restoration Tax Abatement (RTA)

Properties located in a Downtown Development District, Economic Development District, or Historic District may be granted a 5 year deferred assessment of the ad valorem property taxes assessed on renovations and improvements. 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 just prior to the beginning of the improvements. Contact John Jernigan, Department of Economic Development, at Jernigan@la.gov or www.led.louisiana.gov

Industrial Tax Exemption

Abates up to 10 years on a manufacturer's new investment and annual capitalized additions. The exemption applies to all improvements to the land, buildings, machinery and equipment that is part of the manufacturing process. Contact Laverne Jaseck at Jaseck@la.gov or www.led.louisiana.gov