

# INDUSTRIAL AD VALOREM TAX EXEMPTION PROGRAM

## CITY OF NEW ORLEANS

### THE FACTS

- Offers an attractive tax incentive for manufacturers who make a commitment to jobs and payroll within the state
- Provides a local property tax exemption to manufacturers on new qualifying investments including improvements to the land, buildings, machinery, equipment, and any other property that is integral to the manufacturing process

### 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. *A detailed description of the activities to be considered manufacturing is must be provided by the company.*
- 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.

### BENEFITS

- Contracts may be granted for up to ten (10) years (in the form of two five-year terms) at 80% property tax exemption as determined by the Orleans Parish Council, Orleans Parish School Board, Orleans Parish Sheriff, and Louisiana Board of Commerce and Industry.

### APPLICATION PROCEDURE

- Submittal of a Notice of Intent to OED is required prior to project commencement. This notice shall acknowledge comprehension of all local council criteria prior to filing. Please email completed document to Tracey Jackson at [tmjackson@nola.gov](mailto:tmjackson@nola.gov) and mail original form to Tracey Jackson at address listed below.
- Submittal of an Advance Notification, Application, and fees through Louisiana Economic Development's FASTLANE website is required prior to beginning the project; otherwise, the investment(s) will be ineligible.
- If company is located within the City of New Orleans, a consenting resolution must be requested from *all three tax-levying bodies*: Orleans Parish Council, Orleans Parish School Board, and an approval letter from the Orleans Parish Sheriff.

## **LOCAL CRITERIA**

- The Business is located in a distressed region - which is defined as a census tract block group that is below the state median per capita income, based upon the latest federal decennial census; or an Enterprise Zone, as defined by the State; or an Opportunity Zone, as defined by State.
- The jobs created as a result of the capital project must meet the job and payroll requirements for eligibility for the Louisiana Quality Jobs Rebate program.
- That the applicant Project demonstrates good faith efforts to comply with the Section §70-499 of the Code of the City of New Orleans.
- Construction on the capital Project for which a tax exemption is being sought has not commenced prior to submitting for approval from the New Orleans City Council.

For more information, please view the [Industrial Tax Exemption Program Rules](#) established by Title 13 of the Louisiana Administrative Code.

### **For questions or more information, please contact:**

#### **City Of New Orleans**

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#### **LOUISIANA ECONOMIC DEVELOPMENT**

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