

2025 Industrial Tax Exemption Program (ITEP) Rules

03.26.25



What is the new Industrial Tax Exemption Program (ITEP)?

- The ITEP program is a state incentive that offers a tax abatement on new manufacturing investments. It is available to qualifying new and existing Louisiana manufacturing businesses.
- The previously required Advance Notification and Application have been combined into a new form, the Project Application.
- Project Applications must be filed prior to beginning of construction or installation of facilities.
- An 80% ad valorem tax exemption is the base rate of exemption under an initial contract term of 5 years, with the option to renew for an additional 5-year renewal term.
- "Mega-Projects" may be eligible for an increased ad valorem tax exemption rate of 93-100% with Local ITEP Committee input, Board of Commerce and Industry (BC&I) approval and Governor's approval.
- Miscellaneous Capital Additions (MCAs) are ineligible for exemption.

Initial Process



1 Submit Project Application

Company submits a Project Application via FastLane NextGen (FLNG) with the application fee, which is calculated based off the estimated benefit to the company.

2 LED Review

LED reviews Project Application.

3 Further Review

Local ITEP Committee

The Project Application is sent to the Local ITEP Committee. The Committee is given 45 days to review and provide input. If no response is received within the 45-day period, the Project is deemed "accepted" by the Local ITEP Committee.

LDR & LWC

Project Application is simultaneously sent to the Louisiana Department of Revenue (LDR) and the Louisiana Workforce Commission (LWC) for concurrent review. LDR must issue a letter of "no-objection" for the Project Application to be considered by BC&I.

4 BC&I Consideration

Project Applications meeting all the requirements of the ITEP Rules are then presented to BC&I for consideration. BC&I meets every other month, for a total of six times per year.

5 Initial Contract Issued

If approved by BC&I, an ITEP contract is issued by BC&I through LED and sent to the Governor for final approval.

6 Annual Project Property Report

If approved by BC&I, an Annual Project Property Report (APPR) and associated fee must be submitted annually via FLNG by March 31 (October 31 if located in Orleans Parish). The APPR provides information concerning the project's status and if any assets related to the project have been placed in service in the prior calendar year.

7 Contract Renewal

Upon full compliance with initial contract, a Contract Renewal Application must be submitted via FLNG within the final year of the initial contract but prior to the expiration of the initial contract.

8 BC&I Renewal Review

The Contract Renewal Application is presented to BC&I for consideration for a Renewal Contract of an additional 5-year term.

Renewal Contract is then issued by BC&I through LED and sent to the Governor for final approval.

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Mega-Projects

An expansion or addition project at a manufacturing establishment with a minimum of \$500,000,000 in capital expenditures may be considered a "Mega-Project" and is eligible for an increased property tax exemption rate of 93-100%.

Jobs and Payroll Requirement "Opt Out"

Companies with existing ITEP contracts under the 2017 or 2018 Rules may "opt out" of the jobs, payroll, and associated compliance components by amending Exhibit A's to reflect zero jobs and zero payroll. The "Opt-Out" Amendment Form can be filed via FLNG.

Frequently Asked Questions

Q: What is the benefit?

A: An 80% property tax abatement on a manufacturer's new investment for an initial term of five years, with the option to renew for an additional five years. A property tax abatement is a reduction or elimination of property taxes. ITEP is not a grant, credit, nor rebate.

Q: What is FastLane NextGen?

A: FastLane NextGen (FLNG) is the web-based system that manages Louisiana's business incentive programs that require approval by the Louisiana Board of Commerce and Industry.

Q: How do I apply for the ITE Program? Where do I find the forms to apply?

A: All forms for participation in the ITE Program must be filed online through FLNG.

Q: What is a Local ITEP Committee?

A: If a parish chooses to establish a Local ITEP Committee, it shall be composed of one voting member representative from each of the following local governmental entities: the parish or police jury, as applicable; the school board; the sheriff; and the mayor, if applicable.

Q: Are all assets located at the manufacturing establishment eligible for the exemption?

A: Only assets directly related to the manufacturing process at the site are eligible.

Q: Is land eligible under the ITE Program?

A: Land is not eligible to be included for exemption under the ITE Program.

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