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☐ **EMERGENCY RULE** ☒ **NOTICE OF INTENT** ☐ **RULE** ☐ **POTPOURRI**

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This is your authority to publish the document indicated above in the *Louisiana Register* for (month, year): 11/2026

Office/Board/Commission promulgating this document: Office of Economic Development

Department under which office/board/commission is classified: Louisiana Economic Development

Person whose signature will appear in the publication (at the end of the document): Name: Anne G. Villa

Job Title: Deputy Secretary/CFO

Person to contact regarding this document: Name: Rodney Banres Phone number: 342-3000

Email: Rodney.Barnes@la.gov Fax number: _____

Short descriptive listing for this document to be used in the *Louisiana Register's* **TABLE OF CONTENTS/INDEX:**
Enterprise Zone Program

File name: _____

Important: If submitting both an Emergency Rule (ER) and a Notice of Intent (NOI) to be published this month, **AND** if the rule text in the ER is identical to the rule text in the NOI, check here: ☐

Signature of Agency Head or Designee: Anne G. Villa Digitally signed by Anne G. Villa Date: 2026.11.08 18:11:41 -06'00'

Print Name and Title of Agency Head or Designee: Anne G. Villa, Deputy Secretary/CFO

CERTIFICATION OF AVAILABLE FUNDS **DOCUMENT #** _____

LAGOV AGENCY: I certify the availability of appropriated funds for fiscal year 2027 for the payment of the above referenced publication and authorize the processing of an Interagency Billing with the following coding on the 30th of the month of the publication. Attach supplemental sheet for additional lines of coding.

Business Area: 250 General Ledger: _____ Cost Center: 2501011000 Grant: _____

Fund: 2500000000 WBS: _____ Internal Order: 5950038 Functional Area: _____

NON-LAGOV AGENCY: I certify the availability of appropriated funds for fiscal year 2027 for the payment of the above referenced publication and agree to place corresponding invoice in line for payment upon receipt.

Signature of Agency Head or Designee: Kathy Blankenship Digitally signed by Kathy Blankenship Date: 2026.11.09 09:18:38 -06'00'

Billing Contact Information:

Agency Name: Louisiana Economic Development

Agency Contact Person for Billing: Taylor Richard

Agency E-Mail Address for Billing: Taylor.Richard@la.gov

NOTE: Detailed billing information will be provided via a publishing invoice sent to the Billing Contact Information provided.

NOTICE OF INTENT

Louisiana Economic Development
Office of Economic Development

Enterprise Zone Program

(LAC 13:I.Chapter 7)

Louisiana Economic Development, Office of Economic Development, authorized by and pursuant to the provision of the Administrative Procedure Act, R.S. 49:950 et seq., R.S. 51:1781 through 51:1791, hereby gives notice of their intent to amend and propose the rules for the administration of the Enterprise Zone Program.

Title 13
Part I. Financial Incentive Programs
Chapter 7. Enterprise Zone Program

§703. Definitions

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Department—Louisiana Department of Economic Development until June 11, 2024. Pursuant to Act 590 of the 2024 Regular Session, which became effective on June 11, 2024, the department's name was changed to Louisiana Economic Development.

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LED – Louisiana Economic Development.

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AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5), R.S. 51:1783.
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2299 (November 2003), amended LR 37:2369 (August 2011), LR 40:491 (March 2014), amended by the Department of Economic Development, Office of Business Development, LR 47:854 (July 2021), amended by the Louisiana Economic Development, Office of Economic Development, LR.

§751. Program Sunset Provisions

A. In accordance with Act 5 of the 2024 Third Extraordinary Session, the last day to submit advances was June 30, 2025.

B. Notwithstanding any other provision of law, in order to affect the timely sunset of administrative processing of remaining projects, no further extension requests will be granted and the following deadlines shall apply:

1. Project End Dates shall be no later than December 31, 2030; and

2. Project Completion Reports shall be submitted no later than June 30, 2031.

3. Contract expiration dates shall not extend beyond December 31, 2033.

C. Notwithstanding any other provision of law, all fees in this Chapter shall be assessed in accordance with R.S. 36:104.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1787(L).
HISTORICAL NOTE: Promulgated by the Louisiana Economic Development, Office of Economic Development, LR.

Family Impact Statement

The proposed Rule is not anticipated to have an impact on family formation, stability, and autonomy as described in R.S. 49:972.

Poverty Statement

The proposed Rule is not anticipated to have an impact on poverty as described in R.S. 49:973.

Provider Impact Statement

The proposed Rule is not anticipated to have an impact on providers of services as described in HCR 170 of the 2014 Regular Legislative Session.

Small Business Analysis

The proposed Rule is not anticipated to have a significant adverse impact on small businesses as defined in the Regulatory Flexibility Act. The agency, consistent with health, safety, environmental and economic factors has considered and, where possible, utilized regulatory methods in drafting the proposed rule to accomplish the objectives of applicable statutes while minimizing any anticipated adverse impact on small businesses.

Public Comments

Interested persons should submit written comments on the proposed Rules to Rodney Barnes through the close of business on Monday, January 4, 2027, at Louisiana Economic Development, P.O. Box 94185, Baton Rouge, LA 70804 or via email to Rodney.Barnes@la.gov.

Public Hearing

A meeting for the purpose of receiving the presentation of oral comments on the Notice of Intent will be held at 3:00 p.m. on January 4, 2027, in the LaBelle Conference Room at the LaSalle Building, 617 North 3rd Street, Baton Rouge, LA 70802.

Anne G. Villa
Deputy Secretary/CFO, LED

Chapter 7. Enterprise Zone Program

§701. General

A. Intent of Program. The intent of the program is to stimulate employment for residents in depressed areas of the state that are designated as enterprise zones by providing tax incentives to a business hiring from these areas.

B. Description of Program. The Louisiana Enterprise Zone Program is a jobs program that gives tax incentives to a business hiring from certain specified targeted groups of individuals. Enterprise zone program incentives are in addition to other state-sponsored incentives such as the industrial tax exemption program and the Restoration Tax Abatement Program. Enterprise zone and quality jobs programs are mutually exclusive.

C. Effective date of Act 423 of the 2013 Regular Session

1. The provisions of Act 423 shall apply to advance notification filed on or after June 1, 2013 and prior to April 1, 2016.

D. Effective date of Act 18 of the 2016 First Extraordinary Session.

1. The provisions of Act 18 shall apply to advance notification filed on or after April 1, 2016, except as provided below.

a. A retail business, hotel or restaurant with an assigned NAICS Code of 44,45,721 or 722, which has no more than fifty employees nationwide including affiliates prior to the contract effective date, and which files or enters into an advance notification on or after July 1, 2020, and before December 31, 2021, shall be eligible to receive benefits. However, no such business shall be eligible to earn benefits pursuant to this section after June 30, 2023.

E. Effective date of the 2021 Enterprise Zone Program rule changes.

1. The provisions of the 2021 Enterprise Zone Program rule changes shall apply to advance notifications filed after the date of promulgation, detailed in the Louisiana Register published on July 20, 2021, except for the provisions of §705 codifying current administrative practice, or unless otherwise stipulated by the Louisiana Legislature, in §701.C and D.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Finance Division, LR 17:252 (March 1991), amended by Department of Economic Development, Office of Commerce and Industry, LR 22:446 (June 1996), amended by the Department of Economic Development, Office of Business Development, LR 29:2298 (November 2003), LR 37:2368 (August 2011), LR 40:490 (March 2014), LR 42:867 (June 2016), amended by the Department of Economic Development, Office of Business Development, LR 47:852 (July 2021).

§702. Eligibility criteria and available incentives

A. Eligibility

1. This program is available to a Louisiana business that will:

a. create jobs. Create permanent full-time net new jobs that are at least equal to the lesser of:

i. five jobs, created within the first two years of the contract period; or

ii. the number of jobs equal to a minimum of 10 percent of the employees employed throughout the United States by the business and its affiliates, a minimum of one, created within the first year of the contract period;

iii. for good cause shown, the board may grant an extension of not more than two years to comply with the above job creation requirements;

b. hire from targeted groups.

i. a business located in an urban enterprise zone, or a business not located in either an enterprise zone, or economic development zone shall certify that at least 50 percent of the employees filling net new jobs are from one of the following target groups:

(a). residents. someone living in any enterprise zone in Louisiana;

(b). a person receiving an approved form of public assistance during the six months prior to employment;

(c). a person considered to be lacking in basic skills, i.e. performing below a ninth grade proficiency in reading, writing or mathematics.

(d). a person considered unemployable by traditional standards.

ii. A business located in a rural enterprise zone, an economic development zone, or an enterprise zone in Calcasieu Parish shall certify that at least 50 percent of the employees filling net new jobs are from one of the target groups identified above in §702 A.1.b.i; or

(a). a resident of the same parish as the project site.

2. The following businesses shall not be eligible to participate in the program:

a. businesses with gaming on site;

b. churches;

c. residential developments, including but not limited to the construction, selling, or leasing of single-family or multi-family dwellings, apartment buildings, condominiums or town houses.

d. employment agencies, with an assigned NAICS Code of 5613 and advance notifications filed on or after April 1, 2016.

3. The following businesses are subject to certain limitations and restrictions:

a. for a multi-tenant facility to be eligible for the benefits of this Chapter, the business must meet one of the following criteria:

i. occupy a minimum of 33 percent of the total floor area of the building;

ii. tenants are businesses new to the state;

iii. tenants are Louisiana businesses increasing their number of locations within the state by placing a new location within this facility;

iv. tenants are relocating within Louisiana and will generate the minimum of new job credits over and above the total jobs at their previous location;

b. retail establishments. No retail business with an NAICS code of 44, 45, or 722 is eligible to participate in the program unless:

i.an advance notification was filed on or after June 21, 2013 and before July 1, 2015:

(a). retail establishments that are assigned a North American industry classification code beginning with 44 or 45 and have more than 100 employees nationwide including affiliates prior to the contract effective date are not eligible to participate unless:

(i). the business is a grocery store or pharmacy as defined by LED; and

(ii). the business is located in an enterprise zone;

(b). however, if a retail establishment filed an advance prior to July 1, 2015, but did not enter into an EZ contract prior to July 1, 2015, it cannot claim EZ incentives until on or after July 1, 2016; or

ii. for retailers with no more than 50 employees nationwide including affiliates, an advance notification was filed on or after July 1, 2020 and before December 31, 2021. However, no such retail business shall be eligible to earn benefits after June 30, 2023;

c. employment agencies. No business with an NAICS code of 5613 is eligible to participate in the program unless it filed an advance notification prior to April 1, 2016;

d. hotels. A business with an assigned NAICS Code of 721 shall be ineligible to receive benefits, unless:

i. an advance notification was filed prior to April 1, 2016; or

ii. for businesses with no more than 50 employees nationwide including affiliates, an advance notification was filed on or after July 1, 2020 and before December 31, 2021. However, no such business shall be eligible to earn benefits after June 30, 2023.

B. Available Incentives. The following incentives are available for Louisiana businesses meeting program eligibility criteria.

1. Job Tax Credit. A one-time tax credit for each net new job created, with the benefit amount to be calculated as follows:

a. for projects for which the advance notification form is filed prior to April 1, 2016 a one-time tax credit of $2,500 for each net new job; or

b. for projects for which the advance notification form is filed on or after April 1, 2016 a one-time tax credit of $1,000 for each net new job, unless the following conditions are met;

i. the net new employee for which the credit is being claimed was receiving Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Women, Infants and Children (WIC), Medicaid or unemployment benefits, or any other benefits from a similar public assistance program as determined by the department, during the six-month period prior to employment; or

ii. the net new employee is hired by a participating business located in an enterprise zone;

iii. the amount of the credit for each net new employee meeting these conditions shall be $3,500 for each net new job; or

c. for a business in the aviation and aerospace industries as defined in the NAICS industries 336411, 336412, 336413 or 33291, a one-time tax credit of $5,000 for each net new job;

d. in addition to the job tax credits provided for in this section, a one-time tax credit of $2,500 for each recipient of Temporary Assistance for Needy Families (TANF) hired by a business. The TANF recipient must receive compensation which will disqualify them from continued participation in TANF and must be employed for two years to generate the additional tax credit. An employer shall not obtain the jobs tax credit for more than 10 TANF employees in the first year of participation in the program;

e. limitations to the job tax credit.

i. position limitations:

(a). for projects with advance notifications filed before April 1, 2016, job tax credits shall only be calculated based upon a position within the state that did not previously exist in the business, and that is filled by a person who is a citizen of the United States and who is domiciled in Louisiana, or who is a citizen of the United States and becomes domiciled in Louisiana within 60 days of employment in such position, performing duties as a regular, full-time employee;

(b). for projects with advance notifications filed on or after April 1, 2016, job tax credits shall only be calculated based upon a position within the state that is in excess of the median statewide number of employees of the business, including affiliates, and meeting the above requirements of Subclause B 1.e.i.(a);

ii. credit amount limitations. The total number of credits granted to a business for employees who are citizens of the United States and who become domiciled in Louisiana within 60 days after employment, shall not exceed 50 percent of the total number of job tax credits granted to the business under the contract.

2. Sales and use tax rebate or refundable investment tax credit as follows:

a. Sales and Use Tax. Rebates of sales and use taxes imposed by the state, and sales and use taxes imposed by its political subdivisions upon approval of the governing authority of the appropriate taxing political subdivision, on all eligible purchases during a specified project period of not more than 30 months:

i. sales and use taxes imposed by a political subdivision which are dedicated to the repayment of bonded indebtedness or dedicated to schools shall not be eligible for rebate;

ii.a business seeking a local sales and use tax rebate must obtain an endorsement resolution specific to the project from each political subdivision levying the taxes to be rebated. The endorsement resolution must clearly state the intention to rebate sales and use taxes as allowable for the project. The endorsement resolution must be adopted prior to board approval of the application, or if the project cost is greater than one hundred million dollars, prior to the project ending date; or

b. Refundable Investment Tax Credit. In lieu of the sales and use tax rebates, a refundable investment tax credit equal to one and one-half percent of the amount of qualified expenditures for assets that are located at the project site and are placed in service during the project period, and are in accordance with the provisions of §731 and §732;

c. Limitations to the Rebate of Sales and Use Taxes and the Investment Tax Credit.

i. A business shall not receive any sales and use tax rebate or investment tax credit until it has provided all documentation necessary to illustrate compliance with program requirements, including but not limited to filing an annual certification report and proof of the creation of net new jobs.

ii. For purposes of determining the maximum sale and use tax rebate or income tax credit allowed, each net new job shall be counted once.

iii. For projects with advance notifications filed on or after April 1, 2016, the amount of sales and use tax or investment tax credit granted shall not exceed one hundred thousand dollars per net new job.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 47:853 (July 2021).

§703. Definitions

Act 423—Act 423 of the 2013 Regular Session of the Louisiana Legislature

Act 18—Act 18 of the 2016 First Extraordinary Session of the Louisiana Legislature

Affiliate—

1. any business entity that is:

a. controlled by the business;

b. a controlling owner of the business;

c. controlled by an entity described in Subparagraph a or b; or

d. another franchisee of the same franchisor;

2. *control*, for purposes of this definition, means owning either directly or indirectly through control of or by another business entity:

a. a majority of the voting stock or other voting interest of such business entity or the business; or

b. stock or other interest whose value is a majority of the total value of such business entity or the business;

3. a controlled or controlling business entity will be deemed a "non-affiliate" (not an *affiliate*) if LED determines that neither the business nor any of its controlling owners exercise authority over the management, business policies and operations of the business entity;

4. a controlled or controlling business entity will be deemed an 'unrelated affiliate" (not an *affiliate*) if LED determines that the business entity is not engaged in any line of business related to the project activities.

Beginning of the Project—

1. the first day on which project foundations are started or where foundations are unnecessary, the first day on which installation of the project facility begins or the first day that materials or equipment purchased for the project are received;

2. where there is no construction, installation, or purchase of materials or equipment, the first day on which a new hire is made in connection with the project; or

3. the beginning date reported on the application (which date must be on or after the date the advance notification was filed).

Board—the Board of Commerce and Industry.

Business—a legal entity applying for the enterprise zone program that conducts any activity carried on for the production of income from selling goods or performing services. A *business* may be conducted in the form of either a

for-profit or not-for-profit entity. A not-for-profit entity will be considered a *business* only if it provides goods or services for a fee based upon the cost of providing those goods or services (for example, hospitals).

Business Incentives Services—the Business Incentive Services Division of the Office of Business Development of the department.

Contract Effective Date—the day that the advance notification and fee were received by Business Incentives Services or the beginning of the project shown on the application. The *contract effective date* cannot be earlier than the date the advance notification was received by Business Incentive Services unless a waiver of timely filing has been approved by the board.

Department—Louisiana Department of Economic Development until June 11, 2024. Pursuant to Act 590 of the 2024 Regular Session, which became effective on June 11, 2024, the department's name was changed to Louisiana Economic Development.

Department of Revenue—Louisiana Department of Revenue.

Domicile—the place of a person's principal establishment or habitual residence. A change of domicile may be shown by positive and satisfactory proof of establishment of domicile as a matter of fact with the intention of remaining in the new place and of abandoning the former domicile. Such proof may include a sworn declaration of intent recorded in the parish to which a person intends to move, voter registration, or similar evidence of such intent.

Economic Development Zone—

1. a contiguous geographic area with a visible boundary, owned or operated by a political subdivision or an entity created by a political subdivision for commercial or industrial development purposes, including but not limited to the following:

a. industrial park;

b. business park;

c. airport or air park;

d. research park;

e. research and development park;

f. downtown development district with taxing and bonding authority;

g. former federal facility (immediately prior owner and occupant must have been a federal governmental entity), excluding a single building or small grouping of buildings; or

h. port;

2. an economic development zone must be designated as such by the political subdivision in which it is located, and approved by the board. The location of an economic development zone once defined is permanent, and cannot be moved or relocated.

Employment Baseline—

1. the baseline from which net new jobs are determined, to be calculated as follows:

a. for projects with advance notifications filed with business incentives services prior to June 21, 2013, *employment baseline* will be determined in accordance with prior policy and practice in place at the time of the filing of the advance notification.

b. for projects with advance notifications filed with business incentives services on or after June 21, 2013 but prior to April 1, 2016,

i. the median number of full time employees of the business (including employees of affiliates, and employees of unrelated affiliates who have also been employed by the business within the 12 months prior to the contract effective date) at the project site, during the payroll periods including the 12th day of the month, in the last four months completed prior to the contract effective date (the median is calculated by discarding the months with the highest and lowest number of employees, and averaging the number in the remaining two months); or

ii. the last annual average number of full time employees certified under an enterprise zone contract for the business that was in effect on the day prior to the contract effective date;

c. for projects with advance notifications filed with business incentives services on or after April 1, 2016 but prior to the effective date of the 2020 Rule promulgation:

i. equal to the median number of full time employees of the business (including employees of affiliates, and employees of unrelated affiliates who have also been employed by the business within the 12 months prior to the contract effective date) statewide, during the payroll periods including the 12th day of the month, in the last four months completed prior to the contract effective date (the median is calculated by discarding the months with the highest and lowest number of employees, and averaging the number in the remaining two months).

d. for projects with advance notifications filed with business incentives services after the effective date of the 2021 rule promulgation:

i. equal to the median number of full time employees of the business (including employees of affiliates, and employees of unrelated affiliates who have also been employed by the business within the six months prior to the contract effective date) statewide, during the payroll periods including the 12th day of the month, in the last six months completed prior to the contract effective date (the median is calculated by discarding the months with the highest and lowest number of employees, and averaging the number in the remaining four months).

2. the baseline must be maintained in any year for which the business requests job tax credits;

Enterprise Zone—a census block group which is economically distressed and in need of expansion of business and industry and the creation of jobs, and designated by the board to be eligible for the benefits of this Chapter in accordance with R.S. 51:1784.

Full Time Employee—an employee who is reported on the business's quarterly report and is scheduled to work 35 hours per week.

Grocery Store—a business that primarily engages in activities that qualify for one of the following NAICS codes: 445110, 445210, 445220, 445230, 445291, and 452910.

Headquarters—the corporate domicile of the company, together with all executive and administrative jobs normally constituting a corporate *headquarters*, or the regional *headquarters* support services of the company, together with all executive and administrative jobs normally constituting a regional corporate *headquarters*.

Hire Date—the first day of work for which the business directly pays an employee.

Lacking Basic Skills—an employee who exhibits below a ninth grade level proficiency in reading or writing or math.

LED – Louisiana Economic Development.

Louisiana Workforce Commission—formerly known as the Louisiana Department of Labor.

NAICS—North American Industrial classification system.

Net New Job—

1. a position of employment that is:

a. created on or after the contract effective date;

b. in addition to the number of jobs in the employment baseline;

c. based at the site of the enterprise zone project;

d. filled by a full time employee; who is

i. a United States citizen domiciled in Louisiana, or who becomes domiciled in Louisiana within 60 days after hire date; and who is

ii. reported on the business's quarterly report;

2. the number of *net new jobs* filled by full time employees shall be determined by averaging the monthly totals of full time employees over a minimum of 7 months for the first and last year of the contract period, and over a 12-month period for all other years;

3. for purposes of determining qualification of the business for the enterprise zone program under §701.E, net new jobs shall be limited to permanent full-time jobs that are in addition to the number of permanent full-time jobs included in the employment baseline;

4. jobs in which employees perform essentially the same work at the same location both before and after the contract effective date are not *net new jobs* unless:

a. there has been an arm's length transfer of ownership between unrelated companies (not affiliates); and

b. either the location has been out of operation for at least three months, or the secretary determines that the jobs would have likely been lost to the state absent the transfer;

5.a. transferred jobs which are not *net new jobs* include:

i. jobs transferred, or jobs associated with work or sales transferred to the project site from other Louisiana sites of the business (including affiliates), unless back-filled at the original site;

ii. jobs transferred, or jobs associated with work or sales transferred, to the business from affiliates and unrelated affiliates on the project site, unless back-filled;

iii. jobs transferred, or jobs associated with work or sales transferred, to the project site from other Louisiana sites as a result of the business (including affiliates) acquiring a business operation, or substantially all of its assets, and continuing the business operation;

b. jobs created for the project, but temporarily assigned to another site until the site is ready or for training or similar purposes, are not considered transferred jobs and may be considered net new jobs when re-assigned to the project site;

6. lost jobs which must be deducted in determining *net new jobs* include:

a. jobs lost due to closure of any site of the business (including affiliates) that:

i. is located within the same parish; and

ii. provides the same goods or services as the project site;

b. jobs lost due to downsizing of any site of the business (including affiliates) that:

i. is located within the same parish; and

ii. provides the same goods or services as the project site;

iii. the project site and the other site each sell their goods or services primarily into that parish; and

iv. the downsizing was anticipated by the business at the time the qualification certification was filed;

c. jobs lost due to closure or downsizing of any site of the business (including affiliates) that:

i. is located in the state of Louisiana; and

ii. provides the same goods or services;

iii. primarily for the same market segment or customer base, as the project site; and

iv. the closure or downsizing was anticipated by the business at the time the qualification certification was filed;

d. jobs lost by the business (including affiliates) due to relocation outside Louisiana or downsizing of headquarters operations or headquarters support services of the business (including any intermediate or ultimate parent company), and the relocation or downsizing was anticipated by the business at the time the qualification certification was filed.

Permanent Job—as established in the qualification certification (as of the time the qualification certification is filed and irrespective of subsequent modifications to the job), a job that has no anticipated end date falling within the period commencing 45 days prior to the contract effective date and ending five years after the contract effective date.

Pharmacy—any business located within Louisiana where drugs are dispensed and *pharmacy* primary care is provided and where the place has obtained a permit per R.S. 37:1221 prior to the commencement of operation.

Placed in Service—the date indicated as *placed in service* on the business's federal tax return depreciation schedule.

Political Subdivision—in this Chapter, a state, parish, municipality or other *political subdivisions*, including and not limited to a law enforcement or other special district authorized by law to perform governmental functions.

Project—a construction, expansion, or other business venture and associated activities for which benefits are sought under the Enterprise Zone Program.

Project Completion Report—a report confirming the beginning of the project, the project ending date, and the benefits elected.

Project Ending Date—the date all construction and purchasing is completed and received for the project, completing the project.

Project Period—the time encompassed by the contract effective date and the project ending date.

Project Site—the contiguous physical location of a project.

Public Assistance—

1. for projects with advance notifications filed with business incentives services prior to the effective date of the 2021 Rule promulgation, public assistance shall be determined in accordance with prior policy and practice in place at the time of the filing of the advance notification, and shall be any program of assistance financed in whole or in part by a federal, state, or any local government agency, eligibility for which is dependent upon the employment status or income level of the individual. Any such assistance must have been received by the individual within a six-month period prior to their hire date.

2. for projects with advance notifications filed with business incentives services after the effective date of the 2021 rule promulgation, public assistance shall be limited to the following public assistance programs; Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Women, Infants and Children (WIC), Medicaid, unemployment benefits, or any other benefits from a similar public assistance program as determined by the department. Any such assistance must have been received by the individual within a six-month period prior to their hire date.

Qualified Expenditure—amounts classified as capital expenditures for federal income tax purposes plus exclusions from capitalization provided for in *Internal Revenue Code* section 263(a)(1)(A)-(L), minus the capitalized cost of land, capitalized leases of land, capitalized interest, capitalized costs of manufacturing machinery and equipment to the extent the capitalized manufacturing machinery and equipment costs are excluded from sales and use tax pursuant to R.S. 47:301(3), and the capitalized cost for the purchase of an existing building. When a taxpayer purchases an existing building and capital expenditures are used to rehabilitate the building, the costs of the rehabilitation only shall be considered qualified expenditures. Additionally, a taxpayer shall be allowed to increase their *qualified expenditures* to the extent a taxpayer's capitalized basis is properly reduced by claiming a federal credit.

Quarterly Report—the *quarterly report* of wages paid that a business files with the Louisiana Workforce Commission.

Rural Enterprise Zone—an enterprise zone located in a parish having a current U.S. Census population of 75,000 or less.

State—*state* of Louisiana.

Unemployment Benefits—shall be limited to temporary financial assistance to workers who are unemployed through no fault of their own and who meet the requirements of the Louisiana Employment Security Law.

Unemployable by Traditional Standards—having no prior work history or job training, having a criminal record (excluding misdemeanors), having a history of being unable to retain employment after gaining it, or being physically challenged.

Urban Enterprise Zone—an enterprise zone located in a parish having a current U.S. Census population greater than 75,000.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5), R.S. 51:1783.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2299 (November 2003), amended LR 37:2369 (August 2011), LR 40:491 (March 2014), amended by the Department of

Economic Development, Office of Business Development, LR 47:854 (July 2021), amended by the Louisiana Economic Development, Office of Economic Development, LR.

§705. Job Calculation Methodology

A. When determining program eligibility, compliance, computation of job tax credits, sales and use tax rebates or investment tax credits, the department shall employ the following methodology.

1. Program Eligibility and Compliance

a. When calculating whether 50 percent of employees are hired from identified target groups, the department does not recognize partial employees, so anything over a whole number is rounded up to the next higher whole number. As an example, if 3 employees are hired, then 50 percent must be from an identified group. Since 50 percent of 3 = 1.5, this is rounded up to demonstrate that 2 out of the 3 employees hired must be from a target group. Rounding down to only 1 employee would fall below the required 50 percent threshold.

b. The number of jobs shall be determined by averaging the first 12-month period, and then by separately averaging the second 12-month period. The department will not combine periods to perform one average calculation for a 24-month period.

2. Computation of Job Tax Credits. When calculating the amount of job tax credits, the department shall not recognize partial job creation, and will exclude the partial job from the tax credit calculation, rounding down to the nearest whole number and only recognizing and awarding tax credits based upon whole numbers. As an example, if an average of 1.5 jobs are created, this is rounded down and LED will award tax credits for the creation of 1 job. Rounding up to 2 jobs would be awarding excess tax credits that have not been earned.

3. Computation of net new jobs as it relates to the maximum $100,000 sales and use tax rebate or investment tax credit per net new job. The department shall use the whole number computed for issuance of job tax credits.

4. Post Act 18 Baseline Calculation. Two baseline numbers shall be determined, as follows;

a. a statewide baseline, equal to the median number of statewide, full-time employees of the business (including employees of affiliates, and employees of unrelated affiliates who have also been employed by the business within the 12 months prior to the contract effective date); and

b. a project site baseline, equal to the median number of full-time employees at the project site.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 47:855 (July 2021).

§707. Items Eligible for Sales and Use Tax Rebate [Formerly §721]

A. Materials that are permanently installed at the project site during the project period are eligible for sales and use tax rebates.

B. Materials that originate from a contractor or subcontractor's inventory and are permanently installed at the project site during the project period are eligible for sales and use tax rebates. In order for rebates to be issued on property withdrawn from inventory, the contractor or subcontractor must maintain sufficient records and provide sufficient information to enable the Department of Revenue to verify that Louisiana sales or use taxes were paid on the property for which rebate is claimed.

C. Machinery and equipment purchased for the project during the project period are eligible for sales and use tax rebates provided that the machinery and equipment are used exclusively at the project site, are owned by an entity named in the enterprise zone contract, and are intended to remain at the project site for the expected useful life of the machinery and equipment.

D. Machinery and equipment transferred into Louisiana for the project during the project period are eligible for sales and use tax rebates provided that the machinery and equipment are used exclusively at the project site, are owned by an entity named in the enterprise zone contract, and are intended to remain at the project site for the expected useful life of the machinery and equipment.

E. Software purchased, capitalized, and used by the business primarily at the project site during the project period is eligible for sales and use tax rebates.

F. Consumable items are not eligible for sales and use tax rebate. Ineligible items include but are not limited to: per diem, labor, service contracts, storage, freight, radios, laptop computers, utilities, permits and fees, office supplies, construction consumables, blades, drill bits, PVC sheeting, tape, gloves, dusk masks, and all leases and rentals.

G. Lease-purchases may be eligible for a sales and use tax rebate upon Department of Revenue's approval. The property acquired through lease-purchase must be used exclusively at the project site, must be owned by an entity named in the enterprise zone contract, and must be intended to remain at the project site for the expected useful life of the machinery and equipment. A copy of the lease-purchase agreement must be submitted with the claim for rebate request to Department of Revenue, Office Audit Division.

H. A lease of an improvement to immovable property may be eligible for sales and use tax rebate upon the following conditions:

1. the improvements were made with the specific intent to enter into a lease agreement for the use of the improvements by the business, that is, an agreement to lease the improvements must exist before construction begins;

2. at its inception the lease must meet one or more of the following four criteria:

a. the lease transfers ownership of the property to the lessee by the end of the lease term;

b. the lease contains a bargain purchase option;

c. the lease term must be a minimum of twenty years;

d. the present value of the minimum lease payments, excluding any portion of the payments representing costs such as insurance, maintenance, and taxes to be paid by the lessor, equals or exceeds 90 percent of the fair value of the leased property; and

3. rebates shall be paid to the lessee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Commerce, LR 9:230 (May 1982), amended LR 9:544 (August 1983), LR 11:96 (February 1985), amended by the Department of Economic Development, Office of Business Development, LR 17:255, (March 1991), LR 22:449 (June 1996), LR 29:2302 (November 2003), LR 37:2372 (August 2011), LR 40:493 (March 2014).

§716. Electronic Submittals

A. The department shall only allow submission of information electronically using Fastlane or any other electronic data submittal program provided by the department.

B. Electronic documents will be accepted by the department in satisfaction of the requirements of department regulations, notwithstanding any other department regulation to the contrary, including but not limited to an electronic contract document executed in whole or part with electronic signatures.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 47:856 (July 2021).

§717. Annual Employee Certification

A. An annual employee certification report (ECR) must be filed with the business incentive services by May 31 on all active contracts validating program compliance. An ECR fee of $250 shall be submitted with the report. Failure to file may result in contract cancellation. One extension of up to 60 days may be granted if requested in writing, if the request is received prior to the due date of the ECR.

1. Employee certification report filings shall report company employees working at the project site for a 12-month period, and shall be due within six months of the anniversary of the contract effective date, or the Governor’s signature on the contract, whichever is later.

2. In the case of early contract terminations, a company may submit final employee certification reports containing data for varying project time periods as approved in writing by the department.

3. The department may request additional information necessary to verify benefit eligibility. The company must provide all requested information, or other documentation as approved by the department, within 180 days. Failure to do so within the prescribed timeframe shall result in the expiration of the ECR and require re-submission.

4. If the employee certification report is submitted after the filing deadline, the amount of the job tax credit shall be reduced by five percent for each month or portion of a month late, up to a maximum reduction of 100 percent after 20 months.

a. Except as otherwise approved by the secretary for good cause shown. Good cause may include but not be limited to events beyond the reasonable control of the parties, such as an act of God, an act of war, an act of terrorism, a cyberattack, or a natural disaster due to earthquake, landslide, fire, flood, tornado, tropical storm or hurricane. The business shall have the burden to establish good cause.

B. If the employee certification report substantiates that the business has not created the permanent full-time net new jobs required for program eligibility, the board shall cancel the contract and the business shall refund all credits and rebates received. If not timely paid in compliance with the contract, the department will notify Department of Revenue of the contract violation, and the business will be subject to the provisions of §737.

C. For projects with advance notifications filed with business incentives services prior to June 21, 2013, the annual employee certification process will be performed in accordance with prior policy and practice in place at the time of the filing of the advance notification.

D. A business may request that its contract be terminated and that it no longer be required to file an ECR if:

1. the contract has been in effect for at least 30 months; and

2. the business has met all of the requirements of the program.

E. While companies may elect to terminate contracts prior to their scheduled expiration date, early terminations may not be conducted in such a manner as to abuse the purpose and intent of the program to be limited to a period of five years. Therefore, companies that elect early contract termination shall be restricted from applying for a new contract at the same project site until the end of the five-year period, as outlined in the contract.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2301 (November 2003), amended LR 37:2373 (August 2011), LR 40:494 (March 2014), LR 42:867 (June 2016).

§719. Arbitrary Termination of Employees

A. The board shall not accept an application from an applicant which performs essentially the same job at the same or new location but for a different ownership in order to qualify for the benefits of this Chapter. New jobs tax credits shall not be generated by those persons whether or not the name or owner of the business changes over a short period of time (less than two weeks), i.e., a business closes on Friday under one ownership and opens on Monday under a different ownership. These are not net new jobs and shall not generate jobs tax credits under this Chapter.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2302 (November 2003), amended LR 37:2373 (August 2011), LR 40:495 (March 2014).

§721. Advance Notification

A. An advance notification form, and a $250 fee, shall be filed with business incentive services prior to the beginning of the project. All incentives for the same project must be indicated on one advance notification and be identified by one project number. Internet filing of the advance notification may be made at the department website.

B. An advance notification shall include but not be limited to a project description, estimated number of jobs, payroll, costs, project start and end dates. The project start date shall not exceed 12 months after the advance filing date and in no instance shall the project period exceed 30 months. Dates may be amended by the applicant if the written request is made prior to the estimated project ending date. An advance notification expires 90 days after the estimated project ending date shown on the advance notification, unless an application is timely filed, or a written date revision request is received by business incentive services prior to the expiration date but in no instance shall exceed 45 months after the advance filing date.

C. An advance notification filed after the beginning of the project requires a waiver of late filing from the board, based upon events beyond the control of the business caused the late filing or documented fault or error on the part of the business incentive services that caused the business's late filing. Lack of knowledge of the existence of the Enterprise Zone Program or its benefits or procedures will not be accepted as a valid reason for waiving the timely

filing requirement. A waiver of late filing will allow the business to proceed as if the advance notification was filed timely.

D. A business proposing a project exceeding 30 months must separate the project into phases with no phase having a project period greater than 30 months. The business must comply with program eligibility requirements, and file a separate advance notification, application, project completion report, and affidavit of final cost, with the required fees, for each phase of the project. The business must elect either the sales and use tax rebate or the investment tax credit for all phases of the project. Businesses electing the investment tax credit are not subject to the 50 percent limitation of §731.B for phases subsequent to the initial phase, and may elect to file one investment tax credit claim for all consecutive project periods.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2302 (November 2003), amended LR 37:2373 (August 2011), LR 40:495 (March 2014), LR 42:867 (June 2016), amended by the Department of Economic Development, Office of Business Development, LR 47:857 (July 2021).

§723. Application

A. An application for an enterprise zone contract, and the required fee, must be filed with Business Incentives Services, on the form prescribed, within three months after the project ending date. Internet filing of the application may be made at the department's website. Upon request, the business shall receive a thirty-day extension of time in which to file its application, provided such request for extension is received by business incentives services no later than the filing deadline date.

1. Applications must include sufficient information to verify program compliance. LED reserves the right to request additional information, which shall be provided to LED within 60 days. In the event an applicant does not provide the requested additional information to LED within this time frame, LED shall present the application to the board as a late filing.

B. With or after the filing of the advance notification, but no later than with the filing of the application, the business shall file with Business Incentives Services, on the form prescribed, a qualification certification of the intended number of permanent full-time net new jobs for purposes of determining eligibility for the Enterprise Zone Program.

C. An application fee equal to 0.5 percent (0.005) of the total estimated tax relief shall be submitted with each application. Total estimated tax relief includes jobs tax credits, state sales and use tax rebates and investment tax credits. Jobs tax credits are calculated by multiplying the total new jobs estimated to be created within the five-year contract period by $2,500 ($5,000 for rubber, aerospace or auto parts manufacturers). An additional application fee will be due if a project's employment or investment is increased from that stated in the application, resulting in a minimum fee of $100 more than previously paid. The minimum fee is $500 and the maximum fee is $15,000 per application. All fees shall be made payable to Louisiana Department of Economic Development.

D. An application must be submitted to business incentive services at least 45 days prior to the board meeting where it is intended to be presented for approval. Applications may be deferred to a later board meeting date at the request of the applicant, but shall not exceed presentation at a board meeting occurring more than 6 months after the filing of the application, except as otherwise approved by LED.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2303 (November 2003), amended LR 37:2373 (August 2011), LR 40:495 (March 2014), LR 42:867 (June 2016), amended by the Department of Economic Development, Office of Business Development, LR 47:857 (July 2021).

§725. Recommendations of the Secretaries of Economic Development and Revenue

A. Business Incentive Services shall forward the application with its recommendation to the secretary of the Louisiana Department of Revenue and the secretary of the Louisiana Department of Economic Development for their review and recommendations. The secretaries of the Department of Revenue and the department may submit a letter of no objection in lieu of a letter of recommendation.

B. The department must receive a letter-of-no-objection or a letter-of-approval from the LDR, prior to submitting the application to the board for action. If LDR issues an objection to an application other than an objection because an applicant is in active negotiations with, under audit by or in litigation with LDR, the applicant has six months to clear the objection or the application shall be cancelled. The six-month period shall begin on the date LED sends

written notification to the company of the objection received from LDR. Applicants may demonstrate active negotiation to LED by providing written documentation periodically, but at least every six months, of ongoing, bilateral communications between the applicant or its representative and LDR, even if such communication begins after the objection was issued, or other written verification as approved by LED.

C. If LDR issues an objection to an application, the applicant has six months to clear the objection or the application shall be cancelled by the department. The six-month period shall begin on the date LED sends written notification to the company of the objection received from LDR.

1. Except that the department may, in its sole discretion, grant an extension in the following circumstances.

a. Active Negotiation. An extension may be granted to applicants which demonstrate active negotiation to LED by providing written documentation of ongoing, bilateral communications between the applicant or its representative and LDR as applicable, even if such communication begins after the objection was issued, or other written verification as approved by LED.

i. The extension shall not exceed six months, and an application with an active, unresolved objection shall be cancelled by the department one year after sending written notification to the company of the objection.

b. Litigation. The department may grant an extension to applicants which demonstrate active litigation with LDR, including but not limited to submission of a written complaint or petition, as approved by LED.

i. the extension shall be valid during the pendency of the action, but shall not exceed five years.

c. As otherwise approved by the secretary for good cause shown.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2303 (November 2003), amended LR 37:2374 (August 2011), LR 40:495 (March 2014), LR 42:868 (June 2016), amended by the Department of Economic Development, Office of Business Development, LR 47:857 (July 2021).

§727. Application Review by the Board of Commerce and Industry

A. Business Incentive Services shall present an agenda of applications to the board with recommendations based upon its findings.

B. Each business or its representative will be notified of the board meeting date at which its application will be considered. The business should have someone present who is able to answer any questions the board may have regarding the information contained in the application. In the event there is no representative present, the application may be deferred or denied.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2303 (November 2003), amended LR 37:2374 (August 2011), LR 40:496 (March 2014).

§729. Enterprise Zone Program Contract

A. Upon approval of the application, the board shall enter into a contract with the business for the benefits allowed by this Chapter. The business must execute its portion of the contract and return it to Business Incentive Services as follows.

1. For projects with contract effective dates prior to the effective date of the 2021 Rule promulgation, if the contract is not returned within 60 days, the board may rescind the approval of the application.

2. For projects with contract effective dates after the effective date of the 2021 Rule promulgation, if the contract is not returned within 90 days, the board's approval shall be deemed rescinded.

3. When the contract has been fully executed, a copy will be sent to the business, the Department of Revenue, and if applicable, sent to the political subdivision.

B. Business incentive services must be notified, on the prescribed form, of any change that will affect the contract. A fee of $250 shall be submitted with a request for any contract amendment. This includes, but is not limited to, changes in the ownership or operational name of the business holding a contract, or the suspension, closing, or abandonment of operations. Failure to report any changes within six months may constitute a breach of contract.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 37:2374 (August 2011), amended LR 40:496 (March 2014), LR 42:868 (June 2016), amended by the Department of Economic Development, Office of Business Development, LR 47:858 (July 2021).

§731. Project Completion

A. Within six months after the project ending date or the governor's signature on the contract, whichever is later, the business shall file with business incentive services, on the prescribed form, a project completion report and an affidavit of final cost. A project completion report fee of $250 and an affidavit of final cost fee of $250 shall be submitted with these forms or any amendments to these forms.

1. Any outstanding or final employee certification reports shall be submitted to LED prior to, or along with, a project completion report submission.

2. The department may grant an extension of thirty days for the filing of a project completion report, provided the written request for extension is received prior to the filing deadline.

3. If the project completion report is submitted after the filing deadline, the amount of the investment tax credit, or sales and use tax rebate shall be reduced by five percent for each month or portion of a month late, up to a maximum reduction of 100 percent after 20 months.

B. The project completion report shall confirm the beginning of the project, the project ending date, and the incentive benefits elected. Local sales and use tax rebate is not available if the investment tax credit is elected. Except as provided in §721.D, the investment tax credit may not be elected if more than 50 percent of the qualified expenditures related to the project (including intangible costs such as architectural and/or engineering fees prior to construction) are incurred before the filing of the advance notification.

C. The affidavit of final cost shall list all eligible purchases and qualified expenditures for the project, with a description of the buildings, equipment, or other assets, and the cost of each item.

D. After completion of the project and the governor's signature of the contract, the department shall sign the project completion report and forward copies to the business, the Department of Revenue, and any political subdivision rebating local sales and use tax.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 37:2374 (August 2011), amended LR 40:496 (March 2014), LR 42:868 (June 2016), amended by the Department of Economic Development, Office of Business Development, LR 47:858 (July 2021).

§732. Investment Tax Credit Claims

A. The investment tax credit is earned in the year in which the project is placed in service, and is based upon all qualified capitalized expenditures related to the project as of the date it is placed in service, regardless of whether the actual time period involved exceeds 30 months.

B The investment tax credit claim must be filed with the Department of Revenue, Office Audit Division, with the required documentation.

C. The investment tax credit may be taken on qualified expenditures that are related to the project and are placed in service during the project period. The investment tax credit applies to the assets that are related to the qualified expenditures, provided that the business reasonably intends for such assets to remain at the project site for their expected useful life. The assets may be recorded on the financial statements of a company that is an affiliate of the business.

D. The claim for investment tax credit must be filed with the Department of Revenue no later than six months after the governor's signature of the contract and the department's signature of the project completion report, and must be accompanied by the signed project completion report. Upon request, the business shall receive a 30 day extension of time in which to file its claim, provided such request for extension is received by the Department of Revenue prior to the expiration of such filing period. The Department of Revenue is also authorized to grant the business an additional extension of time, not to exceed 60 days, in which to file its claim provided that the business shows reasonable cause for granting such extension.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 37:2374 (August 2011), amended LR 40:496 (March 2014).

§733. Sales and Use Tax Rebate Requests

A. The Enterprise Zone Program contract will not authorize the business to make tax exempt purchases from vendors. The Department of Revenue will advise the business on the proper procedures to obtain the state sales and use tax rebate. The request for rebate of sales and use taxes must be made by filing a claim with the Department of Revenue, Office Audit Division, and must include the following:

1. list of eligible purchases, including a brief description of each item, the vendor's name, date of the delivery, sales price and the amount of state sales and use tax paid. The listed items must have been purchased by the business, or by a builder, a contractor, or other party that contracted with the owner to provide materials, equipment, machinery, or software that is used by the business at the project site or is listed in the Enterprise Zone Program contract;

2. certification that the listed materials are reasonably expected to qualify for a rebate under the Enterprise Zone Program; and

3. certification that state sales and use taxes have been paid on the listed items.

B. The request may be filed on the official Department of Revenue "claim for rebate" form or on other forms prepared by the business. After the Department of Revenue has validated the information on the claim for rebate, a rebate check will be issued for the amount of substantiated state sales and use taxes paid.

C. The request for rebate must be filed with the Louisiana Department of Revenue, and the political subdivision rebating local sales and use tax, no later than six months after the Department of Economic Development signs a project completion report and sends it to the Department of Revenue, the political subdivision, and the business, or no later than 30 days after the end of the calendar year in the case of customer-owned tooling used in a compression molding process and must be accompanied by the signed project completion report. Upon request, the business shall receive a 30 day extension of time in which to file its claim, provided such request for extension is received by the Department of Revenue prior to the expiration of such filing period. The Department of Revenue is also authorized to grant the business an additional extension of time, not to exceed 60 days, in which to file its claim, provided that the business shows reasonable cause for granting such extension.

D. The business should contact the political subdivision issuing the endorsement resolution to determine the procedure for local sales and use tax rebate.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2303 (November 2003), amended LR 37:2375 (August 2011), LR 40:496 (March 2014).

§735. Business with a Contract Must File State Income and Franchise Tax Returns

A. Businesses that have satisfied their Louisiana income tax and/or franchise tax liability by applying jobs tax credits earned under this Chapter shall file the same forms and tax returns with the Department of Revenue that are required if no jobs tax credit were claimed. Each annual return on which jobs tax credits are taken must have a copy of the letter from Business Incentive Services certifying the jobs tax credits earned. If total jobs tax credits are less than the total taxes, remittance in the amount of the difference must be enclosed with the tax return. limited liability companies, sub chapter s corporations, etc., must have the name(s) of owners and their Social Security numbers or Department of Revenue number for corporations listed on the contract in order for jobs tax credits to flow through to the owner(s).

B. Partnerships and sole proprietorships shall file the same returns that are required if the jobs tax credits were claimed. Each annual return on which jobs tax credits are taken must have a copy of the letter from business incentives services certifying the tax credits earned. If total jobs tax credits are less than the total taxes, remittance in the amount of the difference must be enclosed with the tax return.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2304 (November 2003), amended LR 37:2375 (August 2011), LR 40:497 (March 2014).

§737. Violation; Cancellation of Contract

A. On the initiative of the board upon notice or a written complaint of violation of the terms of the statutes, rules or the contract, the board or its representative shall determine if a full investigation should be made. The board shall have full authority for such investigation, including but not exclusively, the authority to call for reports, pertinent records, or other information from the business. If the investigation appears to substantiate a violation the board or its representative will present the subject contract for formal action.

B. If a business is found to be in violation of the statutes, these rules or the contract, board may cancel the contract and the business shall remit back to the state all jobs tax credits taken on income tax and franchise returns, all state and local sales and use tax rebates, investment tax credit, and any other taxes that would have been imposed but for the issuance of this contract.

C. The department shall notify the Department of Revenue of the cancellation, and the Department of Revenue will proceed by all appropriate means to recapture all benefits received pursuant to this Chapter, including any penalty and interest due.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2304 (November 2003), amended LR 37:2375 (August 2011), LR 40:497 (March 2014).

§739. Fees

A. Advance notifications, applications, and affidavits of final cost are not deemed to be filed until all information requested on the form and the required fees are received by LED. Processing fees for advance notifications, applications, or annual certifications that have been accepted for eligible projects shall not be refundable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 37: 2376 (August 2011), amended LR 40:497 (March 2014), LR 42:868 (June 2016).

§743. Relocation of Enterprise Zones

A. A municipality or parish requesting the relocation of an enterprise zone must provide valid reason for requesting the move and must have the approval of the board.

B. The residents of originally designated enterprise zone may qualify as part of the 35 percent residency requirement.

C. The effective date of a relocation approved by the board shall be the date of passage affixed to the resolution by the local governing authority requesting the relocation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2304 (November 2003), amended LR 37:2376 (August 2011), LR 40:498 (March 2014).

§745. Appeals

A. A business may appeal an action of the board by submitting its appeal along with any necessary documentation to business incentives services no later than 90 days after the board action. The appeal shall not be considered by the board less than 30 days after submission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, LR 29:2304 (November 2003), amended LR 37:2376 (August 2011), LR 40:498 (March 2014).

§749. Prohibit Local Fees and Prohibit Local Conflicting Employment Practices

A. No political subdivision shall charge any fees or require any employment practices which conflict with state law as a precondition to authorize tax benefits under this Chapter.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1786(5).
HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Finance Division, LR 17:257 (March 1991), amended by the Department of Economic Development, Office of Commerce and Industry, LR 22:451 (June 1996), amended by the Department of Economic Development, Office of Business Development, LR 29:2305 (November 2003), LR 37:2376 (August 2011), LR 40:498 (March 2014).

§751. Program Sunset Provisions

A. In accordance with Act 5 of the 2024 Third Extraordinary Session, the last day to submit advances was June 30, 2025.

B. Notwithstanding any other provision of law, in order to affect the timely sunset of administrative processing of remaining projects, no further extension requests will be granted and the following deadlines shall apply:

1. Project End Dates shall be no later than December 31, 2030; and

2. Project Completion Reports shall be submitted no later than June 30, 2031.

3. All contracts must end no later than December 31, 2033.

C. Notwithstanding any other provision of law, all fees in this Chapter shall be assessed in accordance with R.S. 36:104.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1787(L).
HISTORICAL NOTE: Promulgated by the Louisiana Economic Development, Office of Economic Development, LR.

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

Person Preparing Statement:	Rodney Barnes	Dept.:	Louisiana Economic Development
Phone:	225-342-5444	Office:	Office of Economic Development
Return Address:	100 North Street, 9th Floor	Rule Title:	Enterprise Zone Program
	Baton Rouge, LA 70802		
		Date Rule Takes Effect:	Upon promulgation

SUMMARY
(Use complete sentences)

In accordance with Section 961 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change is not anticipated to result in any direct material effect on governmental expenditures or savings to state or local governmental units. The proposed rule change better aligns the rules with current statutory provisions as required by Act 11 of the 2024 Third Extraordinary Session, which sunsetted the program. Any administrative duties brought about by the proposed rule changes will be carried out utilizing existing staff and resources at the LA Economic Development (LED).

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change is not anticipated to materially affect revenue collections for state or local governmental units. The proposed rule change does not change the fee structure, but clarifies deadlines in the existing rule to reflect the Legislature's direction to sunset the program.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

There are no anticipated costs to directly affected persons, small businesses, or non-governmental groups. LED indicates the deadlines for project completion, submission of project completion reports, and termination of contracts in the proposed rule are intended to accommodate the timelines of existing program participants. However, businesses with existing Enterprise Zone Program projects may be affected if unanticipated delays prevent them from meeting these deadlines. The costs of complying with the proposed deadlines are indeterminable and may vary depending on the circumstances of each participating business and project.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

Entities receiving benefits under this program will gain an advantage over entities that do not receive the program's benefits.

Anne G. Villa Digitally signed by Anne G. Villa Date: 2026.11.08 18:07:51 -06'00'
Signature of Head or Designee

Anne G. Villa, Deputy Secretary / CFO
Typed Name & Title of Agency Head or Designee

Date of Signature

Legislative Fiscal Officer or Designee

11/9/26
Date of Signature

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The proposed rule change adds definitions, clarifies deadlines, and updates agency names. The proposed rule change better aligns the rules with current statutory provisions as required by Act 11 of the 2024 Third Extraordinary Session.

B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The proposed rule change better aligns the rules with current statutory provisions as required by Act 11 of the 2024 Third Extraordinary Session.

C. Compliance with Act 11 of the 1986 First Extraordinary Session

(1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

The proposed rule change is not anticipated to result in an increase of governmental expenditures for the state.

(2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase? **Not applicable.**

(a) _____ YES. If yes, attach documentation.

(b) _____ NO. If no, provide justification as to why this rule change should be published at this time

D. Compliance with Act 98 of the 2025 Regular Session

(1) Will the proposed rule change result in either the expenditure of state funds or an economic impact involving costs to regulated entities estimated at $200,000 or more per year or $600,000 or more over three years?

(a) _____ YES. (proceed to question D.2 on this page)

(b) ____X____ NO.

(2) If the answer to (1) above is yes, was there a fiscal note for the enacted legislation that required this action (attach documentation)? **Not applicable.**

(a) _____ YES, and all cost impacts were contemplated in the Fiscal Note.

(b) _____ YES, but cost impacts exceed those contemplated in the Fiscal Note.

(c) _____ NO.

FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 27	FY 28	FY 29
PERSONAL SERVICES	$0	$0	$0
OPERATING EXPENSES	$0	$0	$0
PROFESSIONAL SERVICES	$0	$0	$0
OTHER CHARGES	$0	$0	$0
EQUIPMENT	$0	$0	$0
MAJOR REPAIR & CONSTR.	$0	$0	$0
TOTAL	**$0**	**$0**	**$0**
POSITIONS (#)	**0**	**0**	**0**

2. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The proposed rule change is not anticipated to result in any direct material effect on governmental expenditures or savings for state or local governmental units. Any administrative duties brought about by the proposed rule change will be carried out utilizing existing staff and resources of LED.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 27	FY 28	FY 29
STATE GENERAL FUND	$0	$0	$0
AGENCY SELF-GENERATED	$0	$0	$0
DEDICATED	$0	$0	$0
FEDERAL FUNDS	$0	$0	$0
OTHER (Specify)	$0	$0	$0
TOTAL	**$0**	**$0**	**$0**

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Yes, the agency currently has sufficient funds to implement this action.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

There will be no costs or savings to local government from the actions of the proposed rule change.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

No sources of funding of local government will be affected.

FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

REVENUE INCREASE/DECREASE	FY 27	FY 28	FY 29
STATE GENERAL FUND	$0	$0	$0
AGENCY SELF-GENERATED	$0	$0	$0
DEDICATED	$0	$0	$0
FEDERAL FUNDS	$0	$0	$0
LOCAL FUNDS	$0	$0	$0
TOTAL	**$0**	**$0**	**$0**

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

The proposed rule change is not anticipated to affect revenue collections for state or local governmental units.

FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED COMMERCIAL PROPERTY OWNERS, HOMEOWNERS, OR NONGOVERNMENTAL GROUPS

A. What persons, small businesses, or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

Entities taking advantage of the Enterprise Zone program will be affected by the proposed rule change. The proposed rule change adds definitions, clarifies deadlines, updates agency names, and sets a sunset date for the program. LED indicates the deadlines for project completion, submission of project completion reports, and termination of contracts in the proposed rules are intended to accommodate the timeslines of existing program participants. However, businesses with existing Enterprise Zone Program projects may be affected if unanticipated delays prevent them from meeting these deadlines. The costs of complying with the proposed deadlines are indeterminable and may vary depending on the circumstances of each participating business and project.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

There is no direct anticipated impact on receipts and/or income resulting from this rule change to these groups.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

Entities receiving benefits under this program will gain an advantage over entities that do not receive the program's benefits.