

November 15, 2023

via e-mail

Mr. Richard Durrett
Lincoln Parish Government
PO Box 979
Ruston, LA 71273

RE: Updated listing of designated Enterprise Zones

Dear Mr. Durrett,

The U.S. Census Bureau recently released the 2020 Census apportionment results. Therefore, an update to the list of eligible tracts in your jurisdiction for the Enterprise Zone Incentive Program, administered by the Louisiana Department of Economic Development ("LED"), is required.

In accordance with La. R.S. 51:1784, LED uses federal census data in qualifying the bottom forty percent of block groups in the state as Enterprise Zones, based upon per capita income, unemployment and percentage of residents receiving public assistance.

Please find attached your current approved listings and an updated proposed listing for your jurisdiction.

In accordance with La. R.S. 51:1785, LED shall designate qualified block groups as Enterprise Zones only after receiving notice that the governing authority agrees to participate in the program.

LED therefore requests that you respond by January 10, 2024, stating whether you approve of the updated zones. There is no specific form required for a response, however, a sample letter and resolution are attached for your convenience.

Unless timely advised to the contrary, the updated Enterprise Zones will be deemed approved by LED and submitted to the Board of Commerce and Industry for their consideration at a future public meeting.

If you have any questions or comments, please contact me at joyce.metoyer@la.gov or 225.342.0485.



Joyce Metoyer
Program Administrator, Enterprise Zone Program
Louisiana Economic Development

LOUISIANA ENTERPRISE ZONE INCENTIVE

September 2023

What is the Enterprise Zone Incentive?

The Enterprise Zone, or EZ program is a jobs incentive program that provides Louisiana income and franchise tax credits to a new or existing business located in Louisiana creating permanent net new full-time jobs, and hiring at least 50% of those net new jobs from one of four targeted groups. 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. The benefit provides the following state incentives:

- Either a one-time \$3,500 or \$1,000 tax credit for each net new job created.
- A rebate of state sales and use taxes paid on qualifying materials, machinery, furniture, and/or equipment purchased or a 1.5% refundable investment tax credit on the total capital investment, excluding tax exempted items. The rebate shall not exceed \$100,000 per net new job.

What kinds of businesses qualify for the Enterprise Zone Incentive?

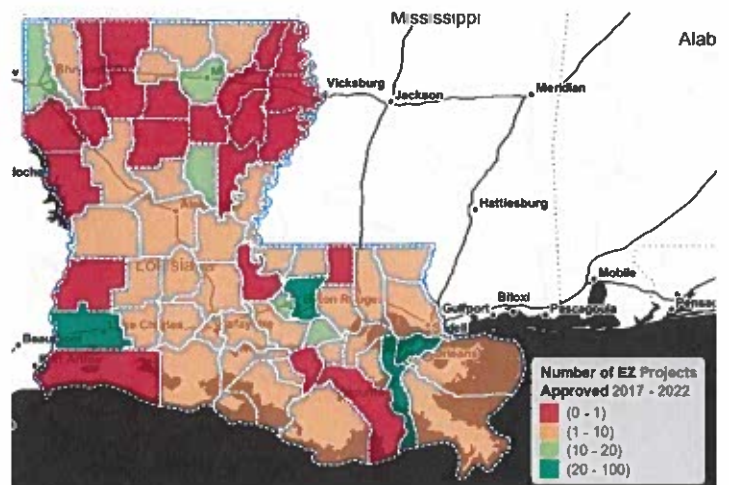
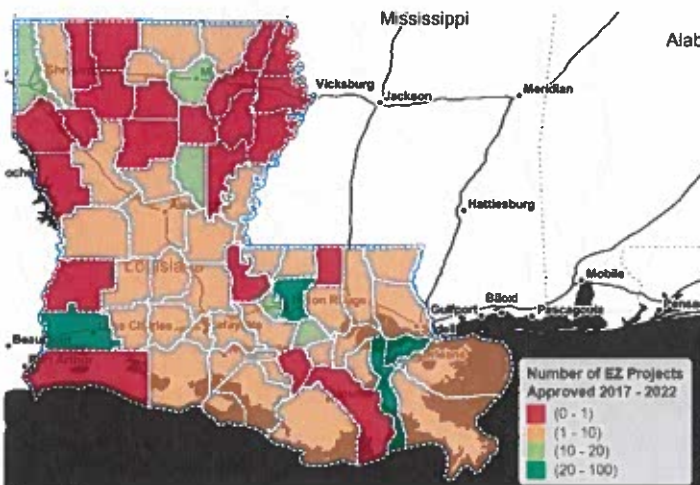
There are many types of businesses that can qualify for Enterprise Zone, including manufacturing, businesses services, healthcare, and distribution centers to name a few. The amount of existing employees is a determining factor in qualifying for EZ, as well as location. However, the following employers or persons shall not be eligible to participate in the program:

- Employers engaged in the gaming industry or residential developments
- Churches
- Retail employers assigned NAICS Code Sections 44 and 45
- Employers assigned NAICS Code Sections, 721, 722 and 5613

How has the Enterprise Zone Incentive performed?

From 2017-2022, there have been:

- 334 EZ Contracts approved in 42 parishes
- 14,321 direct jobs estimated to be or have been created
- \$12 Billion of new capital investment



FAQs

Why am I being reached out to about the Enterprise Zone Incentive?

- LED updates the census tracts that qualify as Enterprise Zones every 10 years, using updated federal census data. As a part of this update, local governments are invited to approve the Enterprise Zones in their jurisdiction.

How will approving the Enterprise Zones help my Parish?

- Approving the Enterprise Zones will incentivize companies to hire the citizens of your Parish, specifically those that live in an Enterprise Zone. Additionally, companies are incentivized to locate within your Enterprise Zones.

If our local government approves these Enterprise Zones, are we giving up any local tax revenue?

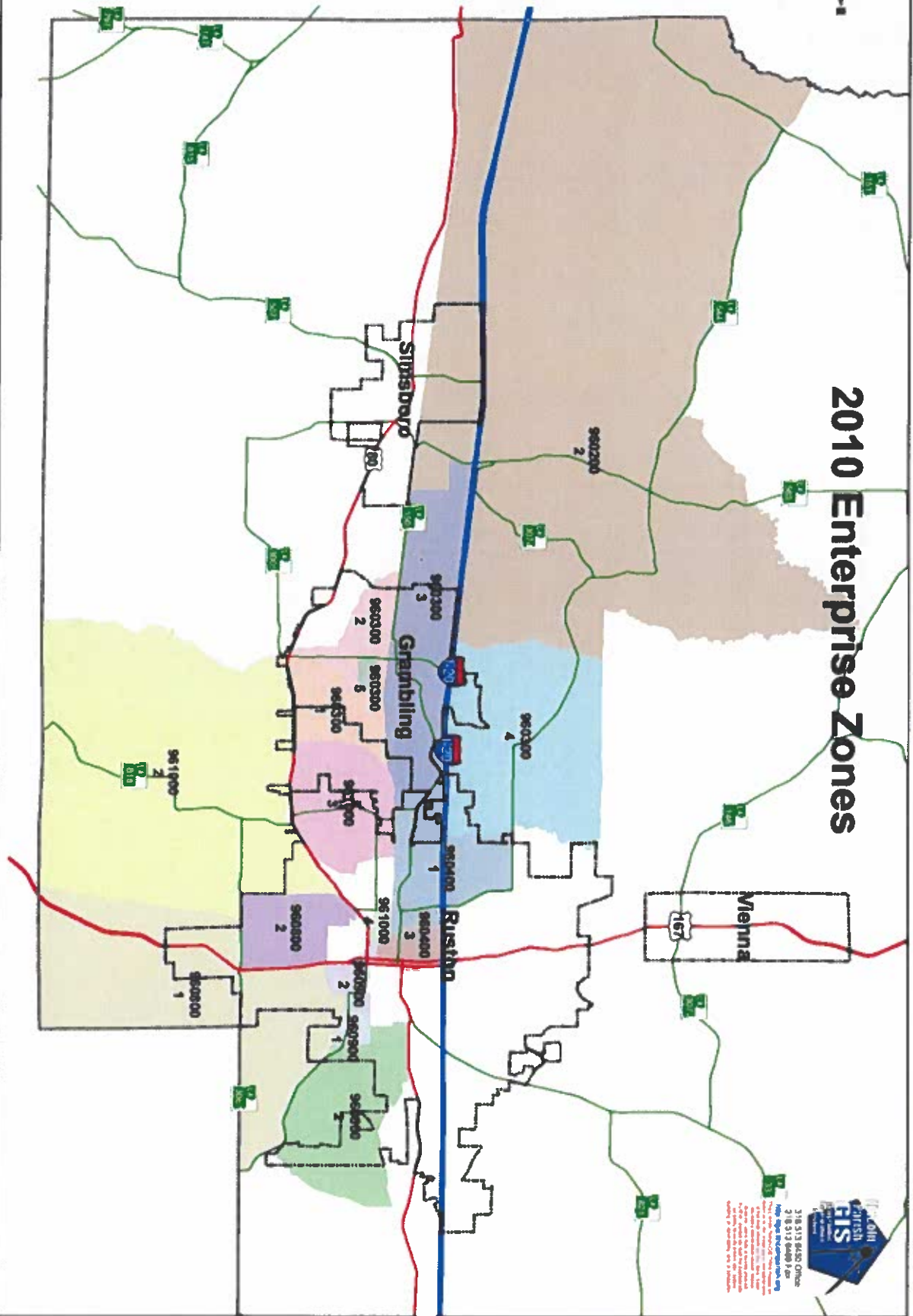
- Not with this vote. As a part of the Enterprise Zone incentive, companies are able to request that non-dedicated local sales taxes paid on qualifying expenses be rebated. However, the rebate of local sales taxes must be voted on by the local governing authorities for each project/contract. That is not within the parameters of the vote to approve updated Enterprise Zones.

Have local sales taxes been rebated for the Enterprise Zone Incentive before?

- Yes, but very few projects request it. Of the 344 Enterprise Zone projects that have appeared before the State Board of Commerce and Industry from January 2017 to July 2023, only 10 have requested local sales taxes be rebated. This was after acquiring the approval to rebate those local sales taxes from the local governing bodies.



2010 Enterprise Zones





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