



**EXECUTIVE DEPARTMENT
OFFICE OF THE GOVERNOR
EXECUTIVE ORDER NUMBER JML 25-033**

***AMENDED AND RESTATED CONDITIONS FOR
PARTICIPATION IN THE INDUSTRIAL TAX EXEMPTION
PROGRAM***

WHEREAS, Louisiana values its manufacturers and their contributions to its economy;

WHEREAS, most states offer some form of property tax exemption to manufacturers;

WHEREAS, to attract larger, high-quality projects, it is necessary to offer competitive property tax exemptions to manufacturers;

WHEREAS, La. Const. art. 7, § 21(F) provides that the Board of Commerce and Industry, with the approval of the governor, may enter into contracts for the exemption from ad valorem taxes of a new manufacturing establishment or an addition to an existing manufacturing establishment, on such terms and conditions as the board, with the approval of the governor, deems to be in the best interest of the state;

WHEREAS, the Board of Commerce and Industry (“BCI”) is authorized to administer the granting of the exemption from ad valorem taxes provided by La. Const. art. 7, § 21(F) and, with the assistance of Louisiana Economic Development (“LED”), established the Industrial Tax Exemption Program (“ITEP”);

WHEREAS, ITEP projects involve capital investment in regions across Louisiana;

WHEREAS, the governor plays a vital role in determining which projects will receive ITEP, and it is essential to set forth criteria that the governor will consider for purposes of deciding what is in the best interests of the state and which ITEP projects will be approved;

WHEREAS, the BCI promulgated rules and regulations for ITEP that promote the best interests of the state, consistent with the authority provided to it by the Constitution;

NOW THEREFORE, I, JEFF LANDRY, Governor of the State of Louisiana, by the authority vested by the Constitution and the laws of the State of Louisiana, do hereby order and direct as follows:

Section 1: The governor will consider the criteria set forth herein for purposes of determining what is in the best interests of the state for consideration of ITEP contracts. The BCI will also consider criteria set forth in its rules and regulations for purposes of determining what is in the best interests of the state for consideration of ITEP contracts.

Section 2: ITEP contracts are to demonstrate a genuine commitment to investing in the communities in which they operate.

Section 3: ITEP contracts must meet the constitutional definition of “manufacturing establishment” determined by the BCI.

Section 4: ITEP applicants may file a project application with LED in order to apply for tax exemption, both for a new manufacturing establishment or an addition to an existing manufacturing establishment, in order to be considered for approval by the governor. Project applications for miscellaneous capital additions and project applications for tax exemptions for maintenance capital, required environmental capital upgrades, and replacement parts, except those replacements required in the rehabilitation or restoration of an establishment, to conserve as nearly, and as long as possible, original condition, shall not be considered or approved. Sustaining capital expenditure, proactive environmental capital upgrades, and replacement parts shall qualify as an addition to a manufacturing establishment only if required in the rehabilitation or restoration of an establishment, to conserve as nearly, and as long as possible, original condition, and described in the project application.

Section 5: If local governmental entities wish to provide input to the governor or the BCI on pending ITEP project applications, local officials or employees, collectively comprising an ad hoc Local ITEP Committee (“the Committee”) shall be composed of one voting member representative from: 1.) the parish or police jury, as applicable, 2.) the school board, 3.) the sheriff, and 4.) the mayor, if applicable. Representatives shall be elected by each local governmental entity by majority vote at a public meeting conducted in accordance with Open Meetings Law.

Additional, ex-officio non-voting members may include the assessor, the parish's highest-ranking economic development staff, representatives of the local economic development organization, or if no local economic development organization exists, a representative from the regional economic development organization. Decisions by the Committee, if any, are not dispositive and do not bind the governor or the BCI. Local government officials are also encouraged to provide public comment when a project application is filed with the BCI.

Section 6: Input from the Committee is important for consideration of an ITEP project application (project application); however, it should not unduly delay the project application approval process. After LED completes the review of the project application, a copy of the project application shall be transmitted to the Committee, upon which date shall begin a notice period of 45 calendar days to consider the project application. The Committee is not required to hold a meeting; however, any such meeting held to consider a project application shall be considered public business and conducted by officials in accordance with the Open Meetings Law. The Committee shall submit notice of the issuance of a resolution to LED with its recommendation for issuance of industrial ad valorem tax exemption project applications within its jurisdiction. If the Committee does not take action or provide a resolution within the 45 calendar days, then the project application will be deemed accepted by LED.

Section 7: The BCI shall revise its rules to align with the Executive Order relative to providing local input in the ITEP project application process. The BCI may also subsequently revise its rules to address any other contractual arrangements or process revisions deemed necessary for effective program administration, as long as such revisions are in keeping with the intent of this Executive Order and promulgated in accordance with the Administrative Procedure Act.

Section 8: Companies with ITEP contracts existing under 2017 and 2018 Rules may "opt out" of the jobs, payroll, and compliance components by amending its Exhibit A to reflect zero jobs and zero payroll regardless of whether the contract is up for renewal. Amendments to an Exhibit A to reflect zero jobs and zero payroll shall be prospective, i.e., effective from the year of the BCI approval of the amendment.

Section 9: The Department of Revenue ("LDR") shall review the project application and may require additional information from the applicant. LED must receive a letter of no

objection or a letter of approval from LDR before the BCI takes action on the project application. LDR shall, in coordination with LED, implement procedures to assure compliance with existing law, this Executive Order, and the terms of the ITEP contract. If at the time of filing a project application, the company has no employees, LED may elect to provide a copy of the project application to the Louisiana Workforce Commission (“LWC”) for review to verify assigned NAICS codes and industry sector classification. LWC may submit a letter of objection to LED; however, if LWC does not take action, the ITEP project application shall be deemed approved.

Section 10: A minimum of \$500,000,000 in capital expenditures by a manufacturing establishment’s expansion or addition project may be considered a Mega Project by the Committee and recommended to the BCI and to the governor for consideration of an ITEP exemption higher than the 80% ad valorem tax exemption base rate.

Section 11: The exemption for ITEP projects shall be for an initial term of no more than five calendar years and may be renewed for an additional time period of up to five years. All property exempted shall be listed on the assessment rolls and submitted to the Louisiana Tax Commission, but no more than 20% of taxes shall be collected during the period of exemption. Except that in exceptional circumstances, such as payment of taxes under protest or change orders approved by the Louisiana Tax Commission, properties with payments made in excess of 20% may nevertheless still be eligible for exemption, after review of all relevant documentation and if approved by the BCI.

Section 12: In considering new contracts and renewals for approval, as a general rule, the governor will only approve those contracts or renewals having a term of five years or less and providing for an ad valorem exemption of 80%. In exceptional circumstances, considering contracts and renewals for Mega Projects, the governor may approve either the 80% exemption base rate or an increased rate range from 93% up to 100%.

Section 13: The terms for the governor’s approval of the contracts for ITEP, as provided for in this Executive Order, represent the primary cause for the governor’s approval of an ITEP contract. Any occurrence that operates to change, suspend, or breach the terms of the contract shall render the approval of the governor null and void.

Section 14: Companies with advance notifications filed on or after February 21, 2024, but before the 2025 final rule promulgation, are subject to the ITEP Emergency Rule provisions,

originally published in May of 2024 and renewed in the November 2024 edition of the *Louisiana Register*. Companies with Project Applications filed on or after the date of March 20, 2025, shall be subject to the new final rule.

Section 15: All departments, commissions, boards, offices, entities, agencies, and officers of the State of Louisiana, or any political subdivision thereof, are authorized and directed to cooperate with implementing the provisions of this Order.

Section 16: This Order is effective upon signature and shall continue in effect until amended, modified, terminated, or rescinded by the governor, or terminated by operation of law.



IN WITNESS WHEREOF, I have set my hand officially and caused to be affixed the Great Seal of Louisiana, at the Capitol, in the City of Baton Rouge, on this 20th day of March, 2025.

A handwritten signature in black ink, appearing to read 'Jeff Landry', is written over a horizontal line.

JEFF LANDRY
GOVERNOR OF LOUISIANA

ATTEST BY
THE GOVERNOR

A handwritten signature in blue ink, appearing to read 'Nancy Landry', is written over a horizontal line.

NANCY LANDRY
SECRETARY OF STATE