

INCENTIVES FOR DEVELOPING NEW BUSINESS IN CITY OF LEESVILLE

The State of Louisiana offers several business incentives which are listed below with a brief explanation. For all incentives, an advance notification form and fees must be completed prior to beginning construction, hiring, or purchasing equipment. For more detailed information, these incentives can be found at www.louisianaforward.com. The staff the City of Leesville Economic Development office are also available to assist with the research and the application process.

Enterprise Zone – Jobs incentive program providing Louisiana income and franchise tax credits to a business increasing employment by 10 percent within the first 12 months or adding at least five new jobs in the first two years.

Quality Jobs – Promotes economic development by encouraging businesses to create well-paid jobs with a basic health care insurance plan.

Restoration Tax Abatement – Encourages property owners in municipalities through local governments to expand, restore, improve and develop existing commercial structures and owner-occupied residences in Downtown Development Districts, Economic Development Districts or Historic Districts.

Industrial Tax Exemption – Applies to new or existing Louisiana manufacturers for capital investments. Property tax (Ad Valorem) exemption for manufacturer's investment, including all land improvements, buildings, machinery, equipment and any other property

that is part of the manufacturing process and kept on site.

Industry Assistance – Provides a tax exemption to operating Louisiana manufacturers that can demonstrate that with the tax exemption, as well as its current and projected operating business plan, it will continue to maintain current employment levels and commit to significant investment, allowing the company to grow and prosper in Louisiana.

Tax Equalization – Attracts retains and encourages the expansion of manufacturing, corporate headquarters, warehousing and distribution establishments planning an expansion that would not do so otherwise in Louisiana due to a higher tax burden.

Other Economic Development Incentives

Technology Commercialization Credit and Jobs – Qualifying individuals or companies may earn refundable tax credits on income or corporation franchise taxes for investing in the commercialization of Louisiana technology and creating new jobs.

Research & Development Tax Credit – Applies to existing businesses with operating facilities in Louisiana to establish or continue research and development activities within the state and to encourage expansion.

Local Incentives

The City of Leesville can offer local sales tax exemption on purchase of machinery and equipment, as well as expedited permitting for business relocation.

Louisiana Economic Development Financial Assistance

The State of Louisiana reviews and administers financial assistance programs, designed to help small businesses gain access to capital, loan guarantees and loan participations. The programs are:

Small Business Loan – Provides loan guarantees and participations to banks to facilitate capital accessibility for businesses. Guarantees may range up to 75 percent of the loan amount, not to exceed \$1.5 million. Loan participations are available up to 40 percent.

Micro Loan – Provides loan guarantees and participations to banks that fund loans ranging from \$5,000 to \$50,000 to Louisiana small businesses

Contract Loan – Provides loan guarantees and participations to banks that fund government contract loans ranging from \$5,000 to \$1 million for terms of one year or less. Loans are intended to help businesses financing working capital for contracts with government agencies.

Venture Capital Co-Investment – Provides a co-investment in a Louisiana business up to one-fourth of the round of investment, not exceeding \$500,000, with any qualified venture capital fund with at least \$7.5 million in private capital. The venture capital fund may be from outside Louisiana.

Venture Capital Match – Provides a match investment for qualified Louisiana venture capital funds with at least \$5 million in private investment. May provide \$1 in matching funds

for every \$2 of private investment up to \$5 million.

Minority Venture Capital Match – Provides a match investment for qualified minority venture capital funds with at least \$250,000 in private investment. May provide \$1 in matching funds for every \$2 of private investment up to \$2.5 million.

Louisiana Seed Capital – Provides matching or co-investment funds to be combined with other capital to or through a Louisiana-based, for-profit fund with three years' experience managing the investments of other parties and have raised at least \$250,000 for a co-investment or \$500,000 for a matching fund. Must be used exclusively for seed investment needed to move a Louisiana small business to commercial production.

BIDCO Investment – Provides matching or co-investment funds for certified Louisiana business and industrial development corporations (BIDCOs). BIDCOs are state-chartered, non-depository alternative financing sources for small businesses, frequently used to provide equity and subordinated debt financing to new and growing companies, as well as companies requiring turnaround assistance. Must have at least \$1 million in private capital. May provide \$1 in matching funds for every \$2 of private capital up to \$2.5 million.

Workforce Development – Provides funding for qualifying customized workforce training programs to improve the competitiveness and productivity of Louisiana's workforce and business community and to assist Louisiana businesses in promoting employment stability.

Economic Development Award Program – Provides a minimum of \$25,000 for publicly owned infrastructure to assist industrial or business development projects that promote economic development and require state assistance.



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Leesville Business Incentive Program 2019

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