

Louisiana | Digital Media and Software Development Incentive

Real Momentum. Real Opportunity.

Louisiana offers the strongest digital media incentive program in the U.S. To help digital media and software development companies thrive, the state provides a refundable tax credit of 25% for qualified production expenditures and a refundable tax credit of 35% for qualified labor expenditures.

Eligible Expenditures:

Labor

- Project managers
- Quality assurance/testing staff
- Engineers
- Programmers
- Game designers
- Industrial designers
- Composers
- Artists
- Legal staff
- Management R&D/engineering

Other Expenditures

- Production equipment (hardware/software)
- Allocated rent for where direct development occurs
- Office supplies
- Licenses/permits for development

Non-eligible Expenditures:

Labor

- Customer service staff
- Business development/sales staff
- C-level executive compensation
- Assistants/secretaries
- Marketing/PR staff
- Accounting and financial staff
- Clerical staff
- Installation staff
- Janitorial and maintenance staff
- Human resources staff
- Miscellaneous administrative and payroll staff
- Manufacturing staff

Other Expenditures

- Indirect production equipment (hardware/software)
- Entertainment expenses
- Communications (telephone, cell phone, etc.)
- Utilities
- State and local taxes
- Advertisements
- General insurance for business operations
- Interest paid on loans
- Auto rental/mileage
- Parking/fare expenses
- Internet
- Food
- Recruiting and hiring expenses
- Manufacturing expenditures
- Lodging or housing of staff

NOTES:

- All transactions must be cash-based. Equity in lieu of cash payments is not considered eligible.
- Tax credits are awarded to the direct developer of the digital media and software development project.
- Projects being developed for Louisiana state government entities and Louisiana public universities are not considered eligible for the program.
- Tax credits are awarded based on salaries and benefits paid to employees.
- All qualifying labor must do work physically in the state of Louisiana.
- Any expenses used to receive digital media tax credits are not eligible for Louisiana's Quality Jobs or Research & Development programs.
- Expenditures related to a project that would be regulated under the Louisiana Gaming Control Law are not considered eligible.

Find Out More.

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