



# OVERVIEW OF THE INDUSTRIAL TAX EXEMPTION PROGRAM (ITEP)

TASK FORCE ON LOCAL AD VALOREM INVENTORY TAXES AND  
ASSOCIATED CREDITS

JULY 2016

# EXECUTIVE SUMMARY

- In the past, under its Industrial Tax Exemption Program (ITEP) established in the Constitution, Louisiana exempted 100 percent of local property taxes for manufacturers for 10 years (five year initial plus five year renewal) on all eligible projects
  - Under Louisiana's system, the State Board of Commerce and Industry has approved contracts with manufacturers, fully exempting eligible property for 10 years
  - Louisiana traditionally had no job creation or capital investment requirements and exemptions often included deferred maintenance and replacements that did not necessarily result in new jobs or increase productive capacity
  - **Under a new Executive Order, applicants will be required to commit to job creation baselines and obtain local approval for exemptions. In addition, maintenance or replacement capital will no longer be eligible and all applicants will be required to file advance notifications**
- Since 2008, the Board of Commerce and Industry has approved ITEP contracts with manufacturers which resulted in nearly \$10 billion in foregone local ad valorem tax revenues (this number represents the total value for local revenues foregone over the full 10-year terms of these 2008-2015 ITEP contracts). From 2016-2020, approximately \$7 billion will actually be foregone by local governments
- Proposals to change ITEP should take into account the impact on the State's business climate and how it is perceived by major companies and key site selectors. Absolute changes to the amount exempted or the term of the exemption will cause Louisiana's rank in tax competitiveness rankings to drop, negatively impacting major business climate rankings and perception of the State's business climate as a whole
- Across the country, 39 states offer some form of property tax exemptions. Thirteen of these states offer exemptions to manufacturers only, while others offer exemptions to various types of firms in addition to manufacturers, such as corporate headquarters, research and development firms, call centers or distribution centers
- Other southern states authorize local governments to grant discretionary exemptions based on the attractiveness of a particular project, in contrast with Louisiana, where the Board of Commerce and Industry's discretionary authority has not been exercised
- **Effectively, when looking at the way the program has operated in the past, Louisiana's competitor states have often been able to forego less in local revenue while remaining just as competitive. This is because projects which would have received a full exemption from property taxes for 10 years in Louisiana might receive a smaller exemption or no exemption at all in these other states. When attractive projects are identified by these states, however, companies can often be offered up to a full exemption for up to 10 years because of local discretionary authority**

# AGENDA

## ITEP: OVERVIEW, TRADITIONAL PROCESS, AND IMPACT OF EXECUTIVE ORDER

FOREGONE REVENUE UNDER ITEP

ITEP'S IMPACT ON TAX AND BUSINESS CLIMATE RANKINGS

BENCHMARKING LOUISIANA'S ITEP AGAINST PROGRAMS IN PEER STATES

APPENDIX I: ADDITIONAL MATERIAL REQUESTED BY THE SCR 6 TASK FORCE

APPENDIX II: ADDITIONAL SUPPORTING MATERIAL

# OVERVIEW OF ITEP FOR MANUFACTURERS IN LOUISIANA PRIOR TO THE JUNE 24<sup>TH</sup> EXECUTIVE ORDER


## What is the Industrial Tax Exemption Program (ITEP)?

- The Industrial Tax Exemption Program (ITEP) is a full, 100 percent exemption from **local** property taxes, established in the Constitution
- Participating companies are eligible to receive an initial five year exemption, plus the opportunity for a five year renewal, for a total of **ten years of full exemption** from local property taxes

## Which companies are eligible to participate in the program?

- The program is available only to manufacturers.
  - Manufacturing businesses are defined as those with a North American Industry Classification System (NAICS) code of 31, 32, or 33. General categories include food manufacturers and manufacturers of durable and non-durable goods
  - The types of specific businesses eligible to receive ITEP exemptions are varied, including fertilizer and pesticide manufacturers, petrochemical manufacturers, industrial equipment and machinery manufacturers, and even breweries
- Louisiana has **no job creation or capital investment thresholds** required for eligibility
- The exemption applies to all improvements to land, buildings, machinery, equipment, and any other property that is part of the manufacturing process. Maintenance capital (i.e., property replacements and refurbishments) is also eligible for the exemption

# THERE ARE TWO WAYS TO APPLY FOR AND RECEIVE ITEP EXEMPTIONS

 Now prohibited as a result of the Governor's Executive Order

## New, relocating, or expanding manufacturing projects

- More than \$5MM investment
- Takes longer than 18 months to complete

Must file an Advance Notification with LED prior to construction

## Miscellaneous Capital Additions (MCAs):

- Less than \$5MM investment
- Takes less than 18 months to complete
- Most maintenance capital falls under this category

Do NOT file Advance Notifications with LED

- 1 Begin construction on new or expansion project
- 2 Submit application within 90 days of project completion  
LED review and recommendation to Board of Commerce and Industry
- 3 Board of Commerce and Industry review and approval  
Five-year contract issued, effective December 31
- 4 Project receives 5-year exemption from local property taxes
- 5 Submit application for renewal of five-year contract, due before expiration of initial contract
- 6 Board of Commerce and Industry review and approval  
Five-year renewal contract issued, effective December 31
- 7 Project receives 5-year exemption from local property taxes
- 8 Expiration letter issued by LED to Parish Assessor and contract holder, specifying amount going onto the tax rolls

## Maintenance capital

- Under ITEP, maintenance capital is eligible to receive exemption from local ad valorem property taxes
- Maintenance capital includes new replacements or refurbishments of existing machinery
- As a result of this policy, the same components of a manufacturing plant can effectively remain off the tax rolls years after the expiration of the original 10-year contract

# THE GOVERNOR'S RECENT EXECUTIVE ORDER FOR ITEP OUTLINES NEW REQUIREMENTS FOR QUALIFYING PROJECTS

## New requirements for ITEP contracts

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*Executive Order JBE 2016 – 26 provides the terms and conditions by which the Governor is to determine whether or not contracts with ITEP applicants are in the best interest of the State*

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### **Cooperative Endeavor Agreement (CEA) with LED**

**All companies must enter into a CEA with LED in order to have their ITEP contracts approved by the Governor.** The CEA will outline agreed-upon baselines for the creation (or, in rare cases, retention) of jobs. The CEA will also provide for terms under which the exemption may be reduced or eliminated should the applicant fail to meet these job creation or retention baselines. (Included as “Exhibit A” for all ITEP contracts)

### **Approval of local governing authorities**

**Local government approval must be granted and will be in the form of resolutions of support by four relevant authorities: 1) Parish Council or Police Jury, 2) Municipal Council, 3) School Board, and 4) Sheriff. These local governments can agree to alter the term or percentage of the exemption granted up to a 100% exemption for 10 years based on the competitiveness of the project.** The Secretary of LED is to offer guidance to local governments, suggesting terms of contracts and percentages of exemptions which might be appropriate based on jobs created or retained by a manufacturing project and the associated payroll. (Included as “Exhibit B” for all ITEP contracts)

### **Miscellaneous Capital Additions no longer eligible for ITEP contracts**

**Moving forward, all ITEP applicants will be required to file an advance notification, both for new and expansion projects.** No applications for miscellaneous capital additions will be considered

### **Other types of capital not eligible for ITEP contracts**

**The Governor will not approve applications for tax exemptions for maintenance capital, replacements of existing machinery, or required environmental capital upgrades**

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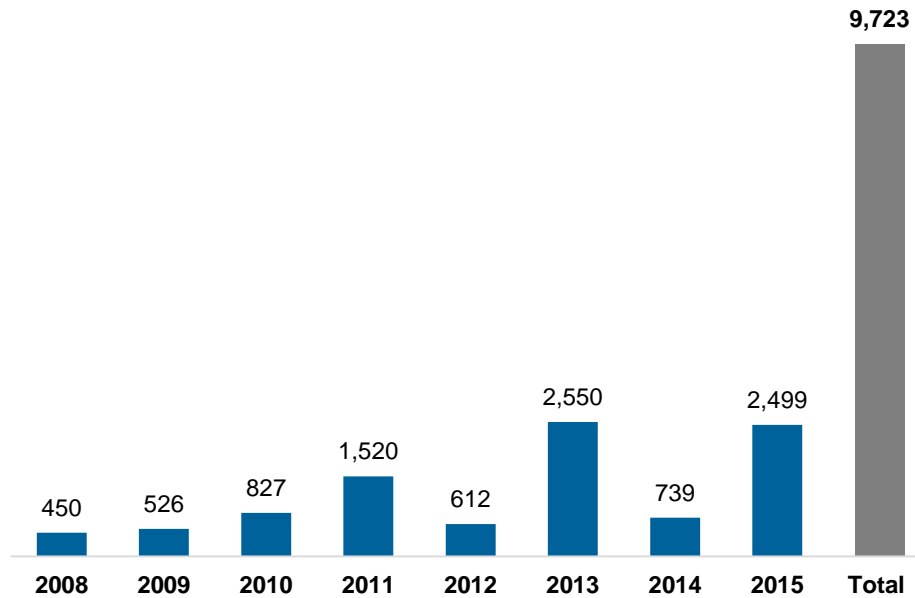
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# NEARLY \$10B IN LOCAL TAX EXEMPTIONS HAVE BEEN AWARDED THROUGH ITEP SINCE 2008

Total board approvals for the Industrial Tax Exemption program, 2008-2015 (\$MM)



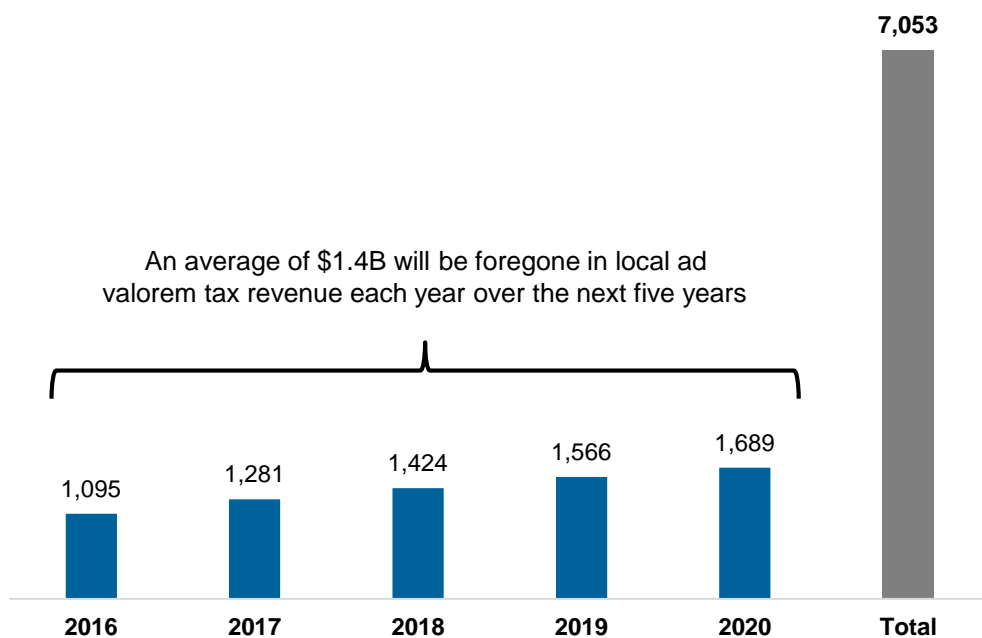
These values **do not** represent the amount actually foregone by local governments each year. Instead, what is shown is the total, 10-year value of all ITEP contracts **approved** by the Board of Commerce and Industry each year, adjusted for depreciation

Note: The estimates above are based on data from 2006-2015 Board of Commerce and Industry reports. All projects where the advance was cancelled or projects where the contract ended early are not included. In addition, depreciation multipliers were applied to the ten-year terms of each contract in order to provide an estimate of depreciation in assessed property values over time. Composite multipliers are from Louisiana Tax Commission table 2305.D



# OVER THE NEXT FIVE YEARS, ROUGHLY \$7B WILL BE FOREGONE IN LOCAL TAX REVENUE THROUGH ITEP

## Total forecasted local tax revenue foregone through the Industrial Tax Exemption program, 2016-2020 (\$MM)

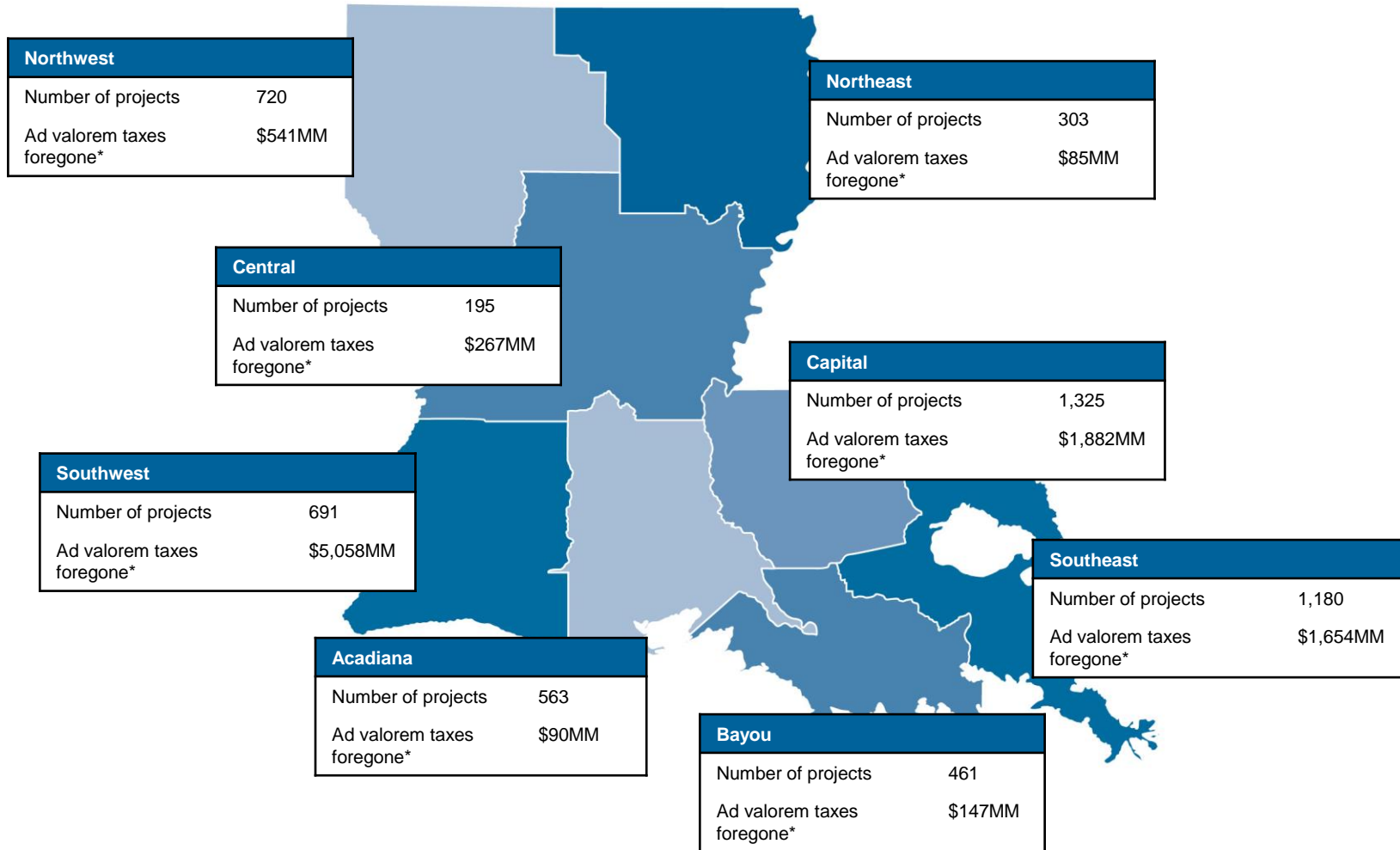


- These figures are a forecast of local ad valorem tax revenues, which will be foregone over the next five years through the Industrial Tax Exemption Program. They do not represent payments made to companies
- A large number of significant economic development projects have been secured, in part, through this program. For many companies, the property tax exemption offered through ITEP is a major factor in their decisions to locate or expand in Louisiana
- While ITEP involves exemption from local ad valorem taxes, these companies benefit the state and local economies through the indirect economic activity they induce and also through the other types of state and local taxes they pay

Note: The estimates above are based on data from 2006-2015 Board of Commerce and Industry reports. All projects where the advance was cancelled or projects where the contract ended early are not included. In addition, depreciation multipliers were applied to the ten year terms of each contract to account for depreciation in assessed property values over time. Composite multipliers are from Louisiana Tax Commission table 2305.D

# ITEP PROJECTS INVOLVE JOB CREATION AND CAPITAL INVESTMENT IN ALL EIGHT REGIONS ACROSS THE STATE

Regional distribution of the ITEP program (2008-2015)



\* Ad valorem amount equals eight years of board approvals. Each board approval year represents the full ten years of foregone revenue

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# DEPENDING ON CHANGES MADE TO ITEP, LOUISIANA'S TAX COMPETITIVENESS RANKING COULD DROP

Unlike other studies that compare state tax rates or tax structures, the Tax Foundation calculates the actual tax burdens that would be applied to mature (pre-existing) and new firms it simulates across seven industry categories. Capital-intensive and labor-intensive manufacturing (shown below) are two of the firm types simulated in the report. *Location Matters* is a ranking of the effective cost of taxation to businesses in each state.

Location Matters category	70% ITEP Exemption <sup>1</sup>		Elimination of ITEP <sup>1</sup>	
	2015 Location Matters Rank	Projected rank w/ change	2015 Location Matters Rank	Projected rank w/ change
Mfg – capital intensive - new	1	12	1	44
Mfg – capital intensive - mature	16	20	16	20
Mfg- labor intensive – new	1	1	1	14
Mfg – labor intensive - mature	9	16	9	16

LED routinely receives feedback from companies and from site selection consultants that they consult the *Location Matters* report for a concise, apples-to-apples comparison of tax costs across states. Because of this, it is important to consider the impact that any changes made to ITEP would have on Louisiana's ranking in this report

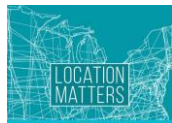
<sup>1</sup>Calculation of the potential impact of these two changes to ITEP (reduction to an exemption of 70% of property taxes or full elimination of the program) on Louisiana's *Location Matters* ranking were calculated in advance of the 2015 Legislative Session by MMK.

# CHANGES TO ITEP WILL IMPACT FOUR MAJOR TAX RANKINGS, INFLUENCING COMPANY PERCEPTIONS OF LA

**Four major KPMG/Tax Foundation rankings:**

**Five major business climate rankings:**

**Actual influence on business perception:**



**Location Matters Report (2015),  
A ranking of tax burden**



**State Business Tax Climate Index (2016)  
A ranking of tax structures and rates**



**State-Local Tax Burden Rankings (2012),  
A ranking of combined state-local tax burden as a share of state income**



**Competitive Alternatives (2016),  
A ranking of business costs across states**



While Louisiana should not pursue rankings improvements for their own sake, rankings of tax competitiveness and business climate *can* have a strong influence on how key company decision makers view Louisiana and whether the state is considered as a location option for relocations and expansions

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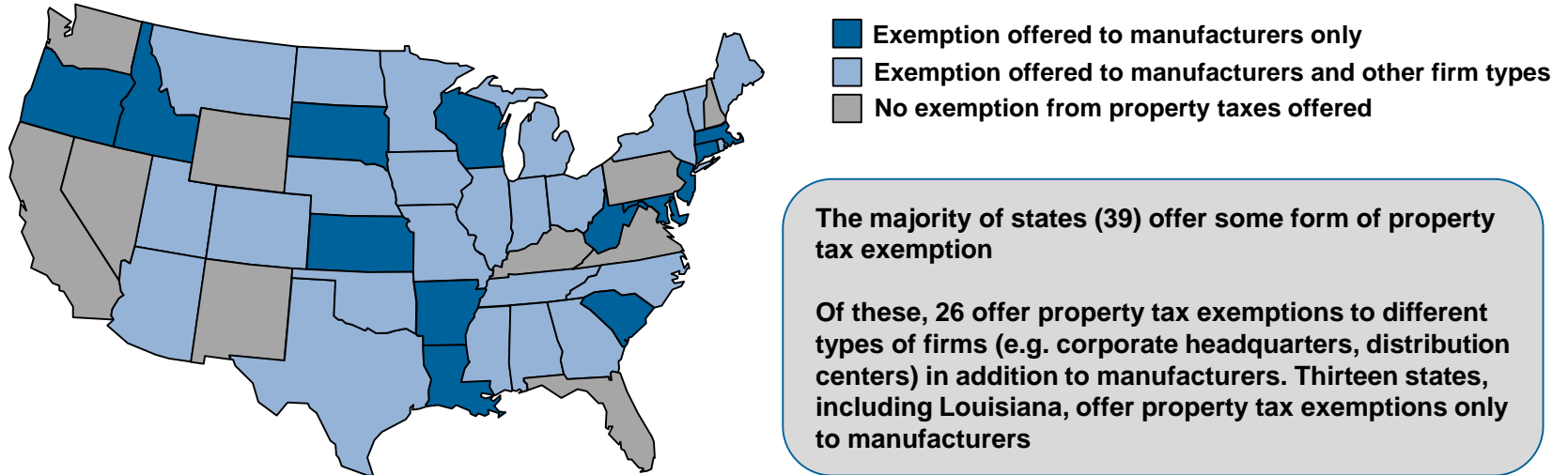
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# THIRTY-NINE U.S. STATES OFFER PROPERTY TAX EXEMPTIONS TO NEW AND EXPANDING COMPANIES

**Distribution of U.S. states with property tax exemptions**



The majority of states (39) offer some form of property tax exemption

Of these, 26 offer property tax exemptions to different types of firms (e.g. corporate headquarters, distribution centers) in addition to manufacturers. Thirteen states, including Louisiana, offer property tax exemptions only to manufacturers

**Types of property tax exemptions offered in Louisiana and neighboring states**

State	Corporate Headquarters	Research and Development	Manufacturing	Call Center	Distribution Center
Alabama	✓	✓	✓		
Arkansas			✓		
Louisiana	✓*	✓*	✓		✓*
Mississippi	✓	✓	✓	✓	✓
Texas			✓		✓

\*While not noted in the *Location Matters* report, targeted non-manufacturing operations do qualify to participate in Louisiana's Competitive Projects Tax Exemption Program (CPTPEP). This includes corporate headquarters, R&D operations, and distribution centers. Projects have to create at least 50 jobs and invest at least \$25 million. In addition, all relevant local taxing authorities must sign off and approve the abatement. Even after this is done, the company must still pay the first \$10 million owed in property taxes. This program has not been utilized since its creation in 2012.

# OTHER STATES USE DISCRETIONARY COUNTY EXEMPTIONS TO ACHIEVE THE SAME OUTCOME AS LOUISIANA'S ITE

**Manufacturing property tax exemption parameters in Louisiana (*pre Executive Order*) and neighboring states**

State	Direct property tax exemption	Payment in lieu of taxes (PILOT)	Authority	Exempted (%)	Years exempted	Maintenance capital eligible	Minimum CAPEX or jobs required for approval	Examples of major projects receiving property tax exemptions
Louisiana	✓	No	State	100	10	✓	▪ None	Sasol, Yuhuang, Formosa
Alabama	✓	No	Local	Up to 100 – non school millage	Up to 20	No	<ul style="list-style-type: none"> <li>▪ County discretion</li> <li>▪ There are no jobs or capital expenditure requirements</li> <li>▪ Expansions or upgrades must be at least \$2MM or 30% of the value of the original project</li> </ul>	Nucor, ARD Logistics, Science and Engineering Services
Arkansas	No	✓	State & Local	Up to 100 (rarely more than 65)	County discretion	County discretion	▪ County discretion, but requires final approval by state	Sun Paper
Mississippi	✓	✓	Local	Up to 100 – non school millage	10	✓	▪ County discretion, certified as eligible by state	Continental Tires, Nissan
Texas	✓	No	Local	Up to 100 (see next slide)	Up to 10 (see next slide)	No	▪ Minimal state guidelines, but counties exercise ultimate discretion, see slide below	Toyota Motors, Chevron Phillips Chemical, Air Liquide



# MOST TEXAS COUNTIES SURVEYED LIMIT EXEMPTIONS BY INVESTMENT, JOBS, OR LOCAL HIRING PREFERENCES

County	Exempted (%)	Years exempted	Maintenance capital eligible	Requirements for approval	Examples of major economic development projects
Bexar	40	6-10	Unknown	\$1 million investment; 25 new jobs	Sino Swearingen Aircraft, Millennium Steel
Brazoria	Up to 100	10	No	\$1 million investment; 10 new jobs	Freeport LNG, Dow Chemical, Saber
Chambers	50-100	5	No	\$0.5 million investment; 5 new jobs	Hunting Energy Services, Lone Star LNG
Collin	Up to 50	Up to 10	No	\$100 million investment	Toyota Motor, FedEx
Dallas	50-90	10	Unknown	\$3 million investment; 50 new jobs	Kraft Foods, Nutri Biotech
Denton	Up to 100	10	No	\$10 million investment; retain existing jobs	Lakeside Parkway, Schlumberger
El Paso	Up to 100	10	No	\$2.5 million investment	Viewpoint Enterprises, Savane International
Ellis	Unknown	10	No	\$1 million investment; 26 new jobs	JTEKT Automotive, Quik N Tasty Foods
Galveston	20-100	7	No	\$3 million investment; 15 new jobs	Ashland Inc., Dienst Distributing
Harris	Up to 50	10	No	\$1 million investment; 25 new jobs	Halliburton, Chevron USA, UPS, Fairway
Jefferson	Up to 100	Up to 10	No	\$1 million investment; retain existing jobs	Phillips 66, Air Liquide
Johnson	25-75	10	No	\$1 million investment; 10 new jobs	Delek Renewables, Airforce Airguns
Montgomery	20-100	4-10	No	\$1 million investment; retain existing jobs	Newpark Drilling Fluids, Applied Machinery
Nueces	50-100	10	No	\$2 million investment; 10 new jobs	Waterfront Communications LTD
San Antonio	25-100	6-10	Unknown	\$1 million investment; 25 new jobs	UPS, Baker Hughes Oilfield Services
San Patricio	10-100	10	Unknown	\$2 million investment; 20 new jobs	Ingleside-Occidental
Tarrant	Unknown	10	No	\$3 million investment; 25 new jobs	General Motors, ATC Logistics
Travis	45	Up to 10	Unknown	\$1 million investment; 100 new jobs	Samsung Electronics, FRV AE Solar
Victoria	40-100	4-10	Unknown	\$0.5 million investment; retain existing jobs	Keen Transport, Vistar
Waco	40-100	2-10	Unknown	\$0.3 million investment; 200 new jobs	Coca Cola
Waller	Up to 100	10	No	\$0.5 million investment	Igloo Products, Medline, U.S. Flowchem

Note: These Texas counties were selected on the basis of numbers of workers in the petroleum and coal products manufacturing, chemical manufacturing, motor vehicle manufacturing or aerospace manufacturing industries.

# A COMPARISON OF PROPERTY TAX EXEMPTIONS IN TEXAS AND LOUISIANA (*BEFORE EXECUTIVE ORDER*)



	Louisiana	Texas
<b>Authority</b>	State	Local/County
<b>Discretion exercised</b>	No	Yes
<b>Percent of exemption</b>	100%	Up to 100%
<b>Term of exemption</b>	10 years	Up to 10 years
<b>Job creation requirement</b>	None	Retention of baseline to 200 new jobs
<b>CapEx requirement</b>	None	\$0.3 – 3 million
<b>Maintenance capital eligible</b>	Yes	No

**Note:** Texas estimates of percentage abated, the term of the contract, job creation requirements and minimum capital investment requirements are **based on what is generally true of most counties in Texas** based on a review of Texas county property tax exemption programs. The important takeaway is that Texas counties often have the ability to fully exempt companies from property taxes for up to 10 years for highly competitive projects, but do not have to award this to every manufacturing project that applies. In this way, they remain competitive with Louisiana, but forego less in local revenue

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# THERE ARE CURRENTLY OVER 4,000 INITIAL STAGE ITEP CONTRACTS (OVER \$10B IN FOREGONE REVENUE)

Current ITEP contracts in the initial phase (2011-2016)		
Parish	Ad valorem revenue foregone (Depreciated, in \$MM)	Number of projects
Cameron	4,238.73	28
Calcasieu	2,808.74	422
Ascension	822.84	283
St Charles	700.00	156
East Baton Rouge	388.74	298
Iberville	354.52	166
St James	182.54	114
Jefferson	125.45	161
DeSoto	94.23	100
Orleans	78.83	91
St John the Baptist	77.32	87
St Bernard	76.67	27
Rapides	58.37	92
La Salle	57.71	8
Caddo	53.88	196
St Mary	48.89	147
Red River	42.25	5
Beauregard	40.90	58
Washington	37.33	52
Terrebonne	36.34	128
Ouachita	35.56	176
West Baton Rouge	34.49	117
Lincoln	34.43	24
Morehouse	34.03	11
Lafourche	29.14	60
Lafayette	28.06	190
West Feliciana	22.09	18
<b>All Other Parishes (37 Parishes)</b>	<b>251.30</b>	<b>847</b>
<b>Total</b>	<b>10,793.38</b>	<b>4,062</b>

Note: The estimates above are based on data from 2006-2016 Board of Commerce and Industry reports. All projects where the advance was cancelled or projects where the contract ended early are not included. In addition, depreciation multipliers were applied to the ten-year terms of each contract in order to provide an estimate of depreciation in assessed property values over time. Composite multipliers are from Louisiana Tax Commission table 2305.D. Dollar amounts represent 10-year exemption amounts approved by the Board at the start of the contract, adjusted for depreciation. All parishes included in this table had projects receiving total, 10-year property tax exemptions of at least \$20 million in aggregate or above.

# THERE ARE CURRENTLY OVER 3,100 RENEWAL STAGE ITEP CONTRACTS (NEARLY \$3B IN FOREGONE REVENUE)

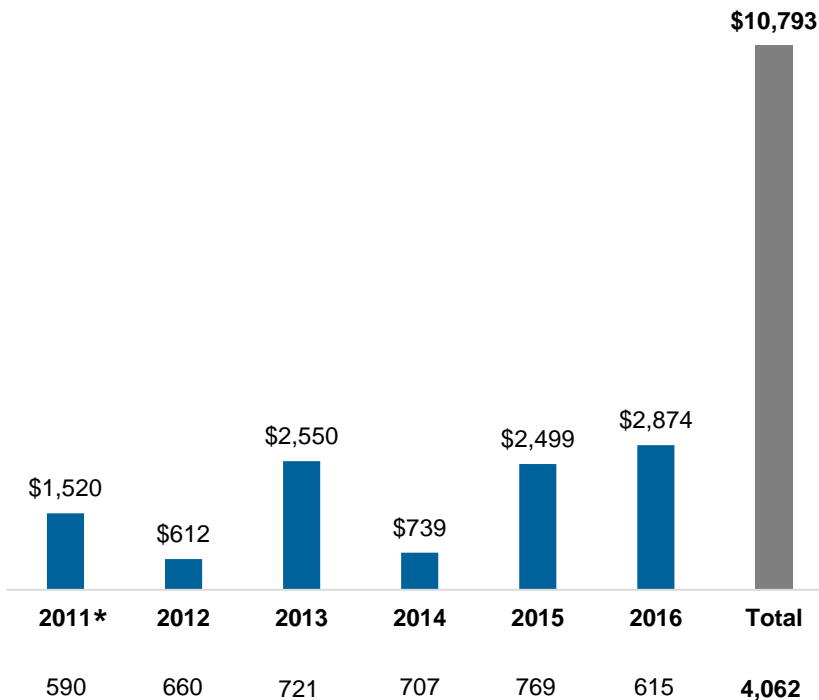
Current ITEP contracts in the renewal phase (2006-2010)		
Parish	Ad valorem revenue foregone (Depreciated, in \$MM)	Number of projects
St John the Baptist	562.07	70
St Charles	346.84	200
Iberville	230.50	186
Calcasieu	219.74	292
Caddo	203.06	164
Rapides	190.29	66
East Baton Rouge	182.34	193
Ascension	135.57	216
St James	116.89	71
Cameron	102.79	10
West Baton Rouge	87.12	115
Plaquemines	51.21	64
Allen	50.88	15
Natchitoches	39.72	30
St Bernard	36.21	24
Orleans	33.56	61
Jefferson	30.09	126
St Mary	29.44	115
Ouachita	29.21	149
DeSoto	22.61	57
Terrebonne	21.18	89
Jefferson Davis	20.20	22
Beauregard	16.03	49
Lafourche	12.87	36
Bienville	12.69	13
West Feliciana	12.61	11
Lafayette	11.15	144
Lincoln	10.52	27
<b>All Other Parishes (36 Parishes)</b>	<b>96.18</b>	<b>525</b>
<b>Total</b>	<b>2,913.57</b>	<b>3,140</b>

Note: The estimates above are based on data from 2006-2016 Board of Commerce and Industry reports. All projects where the advance was cancelled or projects where the contract ended early are not included. In addition, depreciation multipliers were applied to the ten-year terms of each contract in order to provide an estimate of depreciation in assessed property values over time. Composite multipliers are from Louisiana Tax Commission table 2305.D. Dollar amounts represent 10-year exemption amounts approved by the Board at the start of the contract, adjusted for depreciation. All parishes included in this table had projects receiving total, 10-year property tax exemptions of at least \$10 million in aggregate or above.

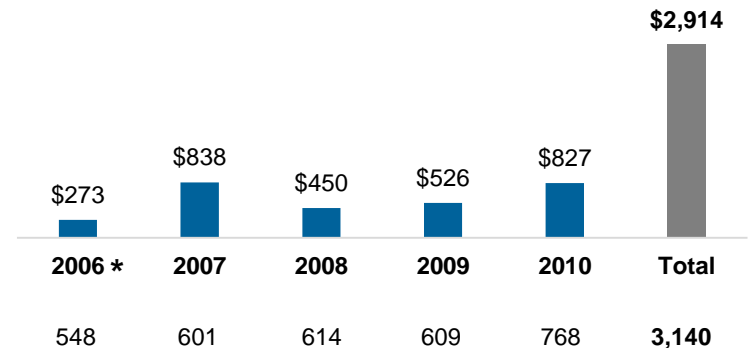
# THERE ARE OVER 3,100 RENEWAL CONTRACTS AND OVER 4,000 INITIAL CONTRACTS IN THE SYSTEM TOTALING OVER \$13B

## Total board approvals for the Industrial Tax Exemption program, 2006-2016 (\$MM)

### Contracts in the initial phase (\$MM)



### Contracts in the renewal phase (\$MM)



\* Year indicates the approval year of the ITEP contract

Note: The estimates above are based on data from 2006-2016 Board of Commerce and Industry reports. All projects where the advance was cancelled or projects where the contract ended early are not included. In addition, depreciation multipliers were applied to the ten-year terms of each contract in order to provide an estimate of depreciation in assessed property values over time. Composite multipliers are from Louisiana Tax Commission table 2305.D. Dollar amounts represent 10-year exemption amounts approved by the Board at the start of the contract, adjusted for depreciation.

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# ADDITIONAL DETAIL ON LOCAL SALE-LEASEBACK AGREEMENTS (PILOT AGREEMENTS)

## Basic structure of PILOT (“Payment In Lieu Of Taxes”) arrangement:

- In many cases, counties and cities are prohibited by the state constitution or other state law from directly exempting any business entity from property taxes.
- As a result, local governments have devised sale-leaseback agreements to circumvent these prohibitions.
- Under a standard PILOT agreement, the local government or other designated entity takes title to the property and leases the property back to the business.
- Lease payments are then made to the local government entity in lieu of ad valorem taxes on the property.
- Some county and city governments may require that the lease payments equal at least some fraction of the local property taxes otherwise due.
- In some cases, the company’s “lease” interest may still be partially subject to property taxes, even while another entity is holding the property.



# TENN. AND GA. COUNTIES EXAMINED ALSO HAVE DISCRETION IN ENTERING INTO EXEMPTION AGREEMENTS

Example county/city	Property tax exemption	Payment in lieu of taxes (PILOT)	Exempted (%)	Years exempted	Maintenance capital eligible	Minimum CAPEX or jobs required for approval
<b>Tennessee</b>						
Davidson / Nashville <sup>1</sup>	No	✓	Up to 100	At discretion of county	No	Projects evaluated on case-by-case basis
Hamilton / Chattanooga	No	✓	Up to 100	Up to 30 (typically 10)	No	\$5MM investment and 50 jobs
Shelby / Memphis	No	✓	Up to 75	Up to 15	No	Up to discretion of Shelby County IDB
<b>Georgia</b>						
Troup / West Point <sup>2</sup>	No	✓	Up to 100	15	No	None
Chatham / Savannah	No	✓	Up to 100	5	No	None
Cobb / Marietta	No	✓	Decreases over life of agreement	10	No	25 new jobs

<sup>1</sup>Davidson County has only approved 5 PILOT deals since 2005. The county will only consider a PILOT program if it is necessary to close a deal.

<sup>2</sup>These numbers are based on the PILOT agreement between Troup County and Kia.

Note: Since Georgia and Tennessee leave most specifics of property tax exemption through PILOT programs to individual counties, these counties were chosen because of their ability to attract high-profile projects in Louisiana's target sectors.

# CONTACT

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