



Quality Jobs Program

Incentive Programs

www.iberiabiz.org

**IBERIA INDUSTRIAL
DEVELOPMENT
FOUNDATION**

101 Burke Street
New Iberia, LA 70560

Phone: 337-367-0834
Fax: 337-367-7421



ADVANCE NOTIFICATION



PLEASE TYPE

OFFICE OF BUSINESS DEVELOPMENT

PLEASE TYPE

COMPANY NAME _____

PARENT CO. _____

PROJECT COMPLETE PHYSICAL ADDRESS _____

PARISH _____

PRODUCT/TYPE OF BUSINESS _____

NAME OF THIS PROJECT _____

IN CITY LIMITS? _____

NAISC/SIC CODE _____

[] YES [] NO

ANY GAMING ON THIS SITE? [] YES [] NO

ARE ANY OWNERS OF THIS PROJECT INVOLVED IN ANY GAMING ACTIVITIES ELSEWHERE? [] YES [] NO

[] New (Facility, Product Line, etc) || Short description of this project: _____

[] Expansion (Addition) || _____

ESTIMATES		
INVESTMENT	DATES	JOBS
BUILDING \$ _____	Show BEGINNING DATE for start of CONSTRUCTION or PURCHASING or HIRING	EXISTING _____
EQUIPMENT \$ _____		NEW PERM _____
LABOR/ENGR \$ _____	BEGINNING DATE / /	PERM CONTRACT _____
TOTAL \$ _____	ENDING DATE / /	CONSTRUCTION _____

STATE SENATOR _____

STATE REPRESENTATIVE _____

DISTRICT NO.

DISTRICT NO.

See <http://www.legis.state.la.us/district/zipcode.asp>

NAME _____

PROJECT CONTACT

LOUISIANA UNEMPLOYMENT INSURANCE #

TITLE _____

HAS AN ADVANCE NOTIFICATION BEEN FILED ON **THIS PROJECT**
FOR ANY OF THE INCENTIVE PROGRAMS LISTED BELOW?
[] NO, [] YES, GIVE ASSIGNED # _____

COMPANY _____

MAILING ADDRESS _____

E-MAIL ADDRESS _____

() _____ () _____

PHONE

FAX

COMPANY OFFICIAL SIGNATURE

PRINT OFFICIAL NAME AND TITLE

OPTIONAL Local Economic Development Contact:

NAME _____

ORGANIZATION _____

ADDRESS _____

PHONE _____

LDED CONTACT PERSON _____

DEPARTMENT OF ECONOMIC DEVELOPMENT
1051 North Third Street; Baton Rouge, LA 70802
P. O. BOX 94185; Baton Rouge, LA 70804-9185
(225) 342-9218 FAX: (225) 342-0142

SEE WWW.LAEMALL.COM FOR ON-LINE FILING

FOR OFFICE USE ONLY
AMOUNT DUE _____
CHECK NO _____
AMOUNT RECEIVED _____
DEPOSIT DATE _____
RECEIPT NO _____
INITIALS _____
APPLICATION DUE _____
PROJECT NO. _____

IMPORTANT NOTE: This form and fee must be received by Business Incentives Division before Construction, Purchasing or Hiring begins.

Quality Jobs Timeline Chart

1.) Advance Notification

Advance must be filed prior to the Project/Construction Beginning, purchasing or hiring. An Application Packet will be mailed with a due date. The due date will be 90 days after the Beginning Date reported on the Advance Notification.

2.) Endorsement Resolution

If the Applicant is applying for the local sales tax rebate, an Endorsement Resolution from the local governing authority is required. Any local sales taxes that are for bond indebtedness or for the school board are not eligible for rebate. A copy of the Endorsement Resolution must be received by the Business Resource Division prior to approval by the Board of Commerce and Industry (Board) of the Quality Jobs Application. The Applicant should contact their local governing authority.

3.) Application

Application is due 90 days after the beginning of the project (i.e., hiring, beginning construction / installation). There is a 24 month "project/construction" period for which sales/use taxes can be rebated. If the project is for jobs only, the Application is due as soon as possible.

4.) Approval

Upon receipt of the Application and fee, the Application is processed and will be presented at the next Board Meeting. The Board meetings are held on the fourth Wednesday of each month January through October and on the second Wednesday for the months of November and December.

5.) Contract

A Contract will be issued within one week of the Application being approved by the Board. The applicant will receive three (3) original contracts, the applicant is to read and make any necessary changes in ink, sign all originals and have signatures witnessed by two (2) persons, and return the signed contracts. These contracts will be forward to the Governor's office for signatures (this occurs once a week). The executed contracts will be distributed as follows: (a) one original will be retained by DED; (b) one original will be sent to the applicant; (c) one original will be forwarded to the Department of

Revenue; and (d) a copy will be forwarded to the local governing authority.

6.) Project Completion Report

The Project Completion Report is due to be filed within ninety (90) days of the completion of the project. The form will be included with the executed contract. The completion date will establish the last date in which sales/use taxes can be rebated.

7.) Affidavit of Annual Certification

The Affidavit of Annual Certification will document the gross annual payroll generated by the net new jobs created. This document is due annually no later than 90 days after the end of the fiscal year.

8.) State Sales/Use Tax Rebate

Contractee must submit their State Sales/Use Tax Rebate Request to the Department of Revenue no later than 6 months after the project is completed. A packet of instructions and forms are included from the Department of Revenue.

9.) Local Sales Tax Rebate

If an Endorsement Resolution was issued prior to the approval of the Application by the Board of Commerce and Industry, the Applicant should contact the Local taxing authority for instructions and time limits of how to file for the Local Sales/Use Tax Rebate.

Title 13
ECONOMIC DEVELOPMENT
Part I. Business Development
Subpart 3. Business Resources

§ 1101. General – QUALITY JOBS PROGRAM

A. Intent of Law

1. To provide benefits used primarily as an inducement for businesses to locate or expand existing operations in Louisiana in accordance with *Louisiana Vision 2020* with a focus on Louisiana's traditional and seed clusters.
 - a. To provide appropriate incentives to support employers who will make significant contributions to the development of the economy of the state.
 - b. To provide or make available incentives that shall be directly related to the new direct jobs created as the result of the employer locating or expanding existing operations in the state.
 - c. The Departments of Economic Development, Revenue and Labor shall implement the provisions of this program.

B. Program Description

1. A qualified employer must create a minimum of five (5) new direct jobs. If the employer employs more than fifty (50) employees prior to the beginning of the contract, it must have an annual gross payroll for new direct jobs equal to or greater than \$500,000. If the employer employs fifty (50) or less employees, it must have an annual gross payroll for new direct jobs equal to or greater than \$250,000. The annual payroll for new direct jobs must be created by the third fiscal year of the contract.
2. A qualified employer must employ full-time employees working thirty-five (35) or more hours per week in new direct jobs. If the qualified employer is a Call Center (NAICS code 56142) it must employ full-time employees working thirty (30) or more hours per week in new direct jobs.
3. The amount of the rebate is directly related to the new direct jobs created and to the new annual gross payroll generated as the result of a qualified employer locating or expanding in the state.
4. Additionally, the qualified employer is entitled to sales and use tax rebates authorized in R.S. 51:1787 if the employer meets the Enterprise Zone Program hiring requirements.

5. Approval by the Louisiana Board of Commerce and Industry and the Governor of Louisiana is required, after consultation with the Secretary of the Department of Labor and the Secretary of the Department of Revenue.
6. An establishment that is engaged in retail; business associations and professional organizations; state and local government enterprises; real estate agents, operators, and lessors; automotive rental and leasing; local solid waste disposal, local sewage systems, and local water systems; nonprofit organizations; the gaming industry; and attorneys **shall not** be eligible for rebates under this program.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR 26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

§ 1103. Definitions

The following words or terms shall have the following meaning, unless a different meaning appears from the context:

Affiliate means any business entity (1) controlled by the applicant business; or (2) which is a controlling owner of the applicant business; or (3) which is controlled by an entity described in (1) or (2). “Control” is defined as owning either directly or indirectly through control of or by another business entity:

1. A majority of the voting stock or other voting interest of such business entity or the applicant business; or
2. Stock or other interest whose value is a majority of the total value of such business entity or the applicant business.

However, a business entity may be treated as a non-affiliate if the applicant business proves that neither the applicant business nor any of its controlling owners exercise authority over the management, business policies and operations of the business entity.

Basic health benefits plan or the **health insurance coverage** means that which is required to be offered and/or provided shall include coverage for basic hospital care, coverage for physician care, and coverage for health care which shall be the same as that provided to executive, administrative, or professional employees.

Benefit rate means one of the following percentages.

1. For new direct jobs created which pay at least one and three-fourths (1 3/4) times the federal minimum hourly wage rate, the benefit rate shall be five percent (5%).

2. For new direct jobs created which pay at least two and one-fourth times (2 1/4) the federal minimum hourly wage rate and meet **one** of the following criteria, the benefit rate shall be six percent (6%).
 - a. The new direct jobs are located in a distressed region designated by the Department of Economic Development. If an area is designated a distressed region, such designation shall be maintained for the period of the initial contract and during the renewal contract. To qualify an employer shall either be located in a distressed region or at least fifty percent (50%) of the new direct jobs of the employer shall be filled by persons who reside in a distressed region.
 - b. The new direct jobs are with an employer categorized in a traditional or seed cluster identified by the Louisiana Economic Development Council and the Department of Economic Development. The Department of Economic Development shall promulgate rules and regulations defining traditional or seed cluster employers prior to these rules taking effect.

Department shall mean the Louisiana Department of Economic Development.

Distressed region shall be defined as one of the following.

1. A parish with a per capita income in the lowest twenty-five percent of the parishes.
2. A census tract and block group that is below the state median per capita income, based on the most recent federal decennial census.

Employer shall mean a legal person who executes a contract with the department pursuant to the provisions of R.S. 51:2452-2462, and who offers, or will offer within ninety (90) days of the effective date of qualifying for the incentive rebates, a basic health benefits plan to the individuals it employs in new direct jobs.

1. For advance notifications filed with the department before June 1, 2000, the employer shall pay not less than fifty percent (50%) of the insurance premium.
2. For advance notifications filed with the department on or after June 1, 2000, but before May 1, 2002, the employer shall pay not less than seventy-five percent (75%) of the premium for full-time employees. The employer shall offer group coverage for dependents of full-time employees, but the employer is not required to pay the premium.
3. For advance notifications filed with the department on or after May 1, 2002, the employer shall offer the employee with the choice of one of the following health insurance coverage programs.
 - a. The employer shall pay not less than eighty-five percent (85%) of the total premium for full-time employees choosing to participate under individual coverage and shall

offer coverage for dependents of full-time employees, but the employer is not required to pay the premium.

- b. The employer shall pay not less than fifty percent (50%) of the total premium for full-time employees who choose to participate and choose to cover their dependents.

Gross payroll means wages for the new direct jobs upon which the specified benefit rate is calculated.

NAICS shall mean North American Industrial Classification System

New direct job means:

1. Employment in the state of an employee working the average hours per week provided in LAC 1101.B.2.
2. An employee who was not previously on the employer's payroll.
3. An employee who was not previously on the payroll of the employer's parent entity, subsidiary, or affiliate.
4. An employee who was not previously on the payroll of any business whose physical plant and employees are substantially the same as those of the employer.
5. A new direct job shall be with an employer that has qualified for the incentive rebate.
6. A new direct job did not exist in this state prior to the advance notification being filed by the employer with the department pursuant to the provisions of R.S. 51:2455.
7. The new direct job is filled by an individual domiciled in the state of Louisiana.
8. A new direct job shall not be a job that is the result of job shifts due to the gain or loss of an in-state contract to supply goods and services.
9. A new direct job shall not mean an employee retained following the acquisition of all or part of an in-state business by an employer.

Wages means all remuneration for services from whatever source, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, and dismissal payments which the employer is required by law or contract to make. Gratuities shall be estimated in accordance with the Internal Revenue code and its rules and regulations. Wages shall not include the following:

1. The amount of any payment with respect to services performed after January 1, 1951, to or on behalf of an individual in its employ under a plan or system established by an

employer which makes provision for individuals in its employ generally, or for a class of classes of such individuals, including any amount paid by an employer for insurance or annuities, or into a fund to provide for any such payment, on account of:

- a. Retirement
 - b. Sickness or accident disability
 - c. Medical and hospitalization expenses in connection with sickness or accident disability.
 - d. Death, provided the individual in its employment does not have the option to receive, instead of provision of such death benefit, any part of such payment or, if such death benefit is insured, any part of the premium or contributions to premiums paid by his employer or does not have the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit or to receive cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon the termination of such plan or system or policy of insurance or of his services with such employer.
 - e. A bona fide thrift or savings fund, providing such payment is conditioned upon a payment of a substantial sum by such individuals in its employment and such sum paid by the employer cannot under the provisions of such plan be withdrawn by an individual more frequently than once in any 12 month period, except upon an individual's separation from that employment
2. Any payment made to, or on behalf of, an employee or his beneficiary under a cafeteria plan of the type described in 26 U.S.C. 125 and referred to in 26 U.S.C. 3306(b)(5)(G).
 3. Any payment made, or benefit furnished, to or for the benefit of an employee if at the time of such payment or such financing it is reasonable to believe that the employee will be able to exclude such payment or benefit from income under an educational assistance program as described in 26 U.S.C. 127 or a dependent care assistance program as described in 26 U.S.C. 129 and as referred to in 26 U.S.C. 3306(b)(13).
 4. The payment by an employer, without deduction from the remuneration of the individual in its employ, of the tax imposed upon such individual in its employ under Section 3 101 of the federal Internal Revenue code with respect to domestic services in a private home of the employer or for agricultural labor performed after December 31, 1980.
 5. Dismissal payments that the employer is not required by law or contract to make.
 6. The value of any meals and lodging furnished by or on behalf of an employer to an individual in his employ, provided the meals and lodging are furnished on the business premises of the employer for the convenience of the employer.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____2002).

§ 1105. Qualified Employers

A. To qualify for a contract an employer must meet one of the following provisions.

1. Be one of the six Vision 2020 cluster industries
 - a. Medical and Biomedical
 - b. Micromanufacturing
 - c. Software, Auto Regulation, Internet, and Telecommunications Technology
 - d. Environmental Technologies
 - e. Food Technologies
 - f. Materials
2. Be a **manufacturer** and the employer's primary function identified by NAICS codes 113310, 211, 213111, 541360, 311-339, 511-512, and 54171.
3. Be an **oil and gas field services business** as defined by the NAICS code 213112 and must pay not less than \$30,000 per year for each new direct job, and Louisiana must be the national or regional headquarters of a multi-state business whose service territory includes Louisiana and the Gulf of Mexico.
4. Have or will have **sales of at least 75%** of its total sales within one year:
 - a. To out-of-state customers or buyers;
 - b. To in-state customers or buyers if the product or service is resold by the purchaser to an out-of-state customer or buyer for ultimate use;
 - c. To the federal government.
5. Have or will have **sales of at least 50%** of its total sales within one year:
 - a. To out-of-state customers or buyers;

- b. To in-state customers or buyers if the product or service is resold by the purchaser to an out-of-state customer or buyer for ultimate use;
- c. To the federal government;

And, must meet **one** of the following additional provisions:

- (1) Must be classified as an industry defined by NAICS codes that have a direct state employer multiplier of 2.0 or greater in accordance to the Regional Input/Output Multiplier System II or its successor.
 - (2) Must be a central administrative office that influences the environment in which data processing, customer service, credit accounting, telemarketing, claims processing, and other administrative functions are accomplished.
 - (3) Must have data processing, back office operations, and telephone call center operations (NAICS code 56142).
 - (4) Must be a wholesale trade business (NAICS code 42) and have a distribution center of not less than 25,000 square feet.
6. Must be a **National Basketball Association Team**, which relocates to Louisiana and may enter into a contract provided prior to November 1, 2003. However, contracts with such teams:
- a. Shall not be granted a tax rebate greater than \$3,650,000 in any taxable year.
 - b. Shall not allow the salary of any person who owns more than twenty-five percent (25%) of such team to be included in the gross payroll to calculate the rebate.
 - c. May be renewed for an additional five (5) years, provided the team has complied with all the terms of the contract, has not performed, or failed to perform, any act which made the applicant liable for suspension.
 - d. Shall be awarded a benefit rate of no more than five percent (5%).
 - e. Shall include the wages of players and coaches of the team subject to Louisiana income tax in the calculation of the gross payroll, even though the players and coaches may be non-residents of Louisiana.

B. The following employers or persons shall NOT be eligible for benefits provided under this chapter:

- 1. Retail employers identified by NAICS code sections 44 and 45.

2. Business associations and professional organizations identified by NAICS code 8139.
 3. State and local government enterprises.
 4. Real estate agents, operators, and lessors.
 5. Automotive rental and leasing.
 6. Local solid waste disposal, local sewage systems, and local water systems businesses.
 7. Nonprofit organizations.
 8. Employers engaged in the gaming industry identified by NAICS code sections 713210 and 721120.
 9. Attorneys.
- C. The Department of Economic Development may promulgate rules annually listing other ineligible employers, professions, or service industries that are not eligible for rebates under the provisions of this program. Such rules shall not take place until the Louisiana Economic Development Council, the House Committee on Ways and Means, and the Senate Committee on Revenue and Fiscal Affairs approves.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR 26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

§ 1107. Application Fees, Timely Filing

- A. The applicant shall submit an advance notification on the prescribed form before locating the establishment or the creation of any new direct jobs in the state. All financial incentive programs for a given project shall be filed at the same time, on the same advance notification form. An advance notification fee of \$100, for each program applied for, shall be submitted with the advance notification form. An advance notification filing shall be considered by the Department to be a public record under Louisiana Revised Statutes, Title 44, Chapter 1, Louisiana Public Records Law, and subject to disclosure to the public.
- B. An application for the Quality Jobs Program must be filed with the Office of Business Development, P.O. Box 94185, Baton Rouge, Louisiana 70804-9185 on the prescribed forms within ninety (90) days of the creation of the jobs or completion of the project, which ever occurs first. Failure to file an application may result in the application being denied or restricted.

- C. An application fee shall be submitted with the application based on the following:
 - 1. Two tenth of a percent (0.2%) times the estimated total incentive rebates (see application fee worksheet to calculate).
 - 2. The minimum application fee is \$200 and the maximum application fee is \$5,000 for a single project.
 - 3. The check is made payable to the **Louisiana Department of Economic Development**.
- D. A Project Completion Report shall be filed within ninety (90) days after the completion of construction/installation.
- E. An Affidavit of Annual Certification shall be filed within ninety (90) days of completing a company's fiscal year. A fee of \$100 must be filed with the initial report.
- F. An application to renew a contract shall be filed within sixty (60) days of the initial contract expiring. A fee of \$50 must be filed with the renewal contract.
- G. The Office of Business Development reserves the right to return the advance notification, application, or affidavit of annual certification to the applicant if the estimated exemption or the fee submitted is incorrect. The document may be resubmitted with the correct fee. The document will not be considered officially received and accepted until the appropriate fee is submitted. Processing fees for advance notifications, applications, or affidavits of annual certification that have been accepted for eligible projects, shall not be refundable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

§ 1109. Application Review, Analysis, Evaluation, Determination

A. Application Review

- 1. The Department will assign a project number and review the advance notification form to determine if the employer is qualified pursuant to LAC 11:I.1105.A. The employer will be notified of the project number and due date of the application packet.
- 2. The application packet must be completed and returned to the Department of Economic Development by the due date. The Department must authorize any omissions to the application by the employer in writing. If the application is incomplete, the Department may request additional information prior to further action. The application fee must accompany the application packet pursuant to LAC 11:I.1107.C.

B. Analysis, Evaluation, Determination

1. The Department shall determine qualification for the employer.
 - a. The employer shall create a minimum of five (5) new direct jobs.
 - b. The employer shall meet the annual payroll requirements pursuant to LAC 11:I.1101.B.1 and 2.
 - c. The employer shall offer a basic health benefits plan to the individuals it employs in new direct jobs pursuant to LAC 11:I.1103.B. A copy of said plan must be provided to the Department.
 - d. The Department will analyze the proposed new direct jobs to determine they meet the program criteria.
 - e. The employer must furnish all sources of remuneration that make up the wages that are used in the determination of the gross payroll. A listing that will identify all positions and wages of all employees shall be furnished to verify the gross payroll.
 - f. The Department will determine the effective date of the contract.
2. The Department shall determine the benefit rate pursuant to LAC 11:I.1103.E and F and LAC 11:I.1105.A.5.c.(5).

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

§ 1111. Consultation with the Departments of Labor and Revenue

- A.** The Department will provide a copy of the application and all relative information to the Department of Labor and the Department of Revenue for review. Either the Department of Labor or the Department of Revenue or both may require additional information from the applicant.
- B.** The Department must obtain a letter-of-no-objection or a letter-of-approval from the Department of Labor and the Department of Revenue, prior to submitting the application to the Board of Commerce and Industry for action.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of

Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____2002).

§ 1113. (Blank for Future Use)

§ 1115. Economic Development Recommendations to Board

- A. The Department after review and analysis will prepare the application information in a format suitable for presentation to the Board of Commerce and Industry.
- B. The Department will make a presentation to the Board of Commerce and Industry as to the economic impact and the benefits to be received.
- C. The Department will make recommendations for approval or disapproval, and will provide information on behalf of the Department of Labor and the Department of Revenue.
- D. The Board of Commerce and Industry must approve the application prior to a contract being issued.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____2002).

§ 1117. The Contract

- A. The Board of Commerce and Industry or its successor, after no-objection from the Secretaries of the Department of Labor and the Department of Revenue, with the approval of the governor, may enter into a contract with an employer for a period up to five years.
 - 1. A contract with an employer shall be limited to a single physical location, and the benefits the employer shall receive will be based solely upon the operations at that location.
 - 2. An employer may have more than one contract covering multiple locations; however, the eligibility of each location shall be determined separately, with the exception of determining new direct jobs. The Department shall certify that the employer has a net overall increase in employment statewide for each new direct job.
- B. The contract may be renewed for an additional five years provided that:

1. The employer has complied with all the terms of the contract.
2. The employer has met the statutory minimum hourly wage for the new direct jobs subject to the benefit rate established when the contract was entered into and the hourly wage has increased by an amount which is equal to or greater than one of following:
 - a. The wage rate has grown by the percentage increase in the Consumer Price Index published by the U.S. Department of Labor for the five years of the initial term of the contract, compounded.
 - b. The wage rate has increased by two percent (2%) for the five years of the initial term of the contract, compounded.

C. No contract shall be executed if:

1. An employer has defaulted, not repaid a loan, or not repaid an obligation involving public funds. Also, if an employer declared bankruptcy and the obligation to pay or repay public funds or monies was discharged as part of such bankruptcy a contract shall not be executed.
2. An employer who is in default on any filing or payment to the state, to any of its agencies, or to any of its political subdivisions, and in which an assessment or judgment is final.
3. An employer who employs more than fifty (50) employees who has entered into a contract or other agreement with any person or entity where required payment is contingent upon their success in obtaining the benefits of this program.

D. Contract Voided

1. Violation of the provisions of LAC 11:I.1117.C shall void the contract and any rebates paid to the employer prior to the date the violation is discovered, the rebates will be recovered by adding to the income tax liability for the taxable year the violation occurred. Additionally, interest will be assessed from the date of the violation and the employer shall receive no further rebates.

E. Contract Suspended

1. If a rebate is received by an employer as provided under this provision and the employer is rendered an assessment or judgment that is final and nonappealable in favor of the state or any of its agencies or any of its political subdivisions, the contract shall be suspended pending the settlement of the assessment. No rebate shall accrue to the employer under the contract during the period of suspension.
2. If at any time during the ten-year contract period the employer applies for a rebate following the end of the employer's fiscal year, and the verified gross payroll for the

fiscal year does not demonstrate the required minimum of five new direct jobs and the gross payroll does not equal or exceed a total of \$500,000 or \$250,000, whichever is applicable to said contract, the rebates shall be suspended and shall not be resumed until such time as the payroll and job requirements are met. No rebate shall accrue or be paid to the employer during a period of suspension.

F. Contract Rebates Reduced

1. If the employer receives a rebate and it is subsequently determined the employer did not qualify for the rebate, future rebates will be reduced by the amount received by the employer.
2. If there are no future rebates to deduct the amount owed the state, the tax liability of the employer will be increased by the amount of the rebate for the taxable period non-qualification was determined.
3. The secretary of the Department of Revenue may recover any rebates previously granted to an employer but which rebates disallowed as authorized by R.S. 47:1561.2. The employer shall waive prescription for the purpose of recovering any disallowed rebates.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

§ 1119. Incentive Rebates

- A.** Except as otherwise provided herein an employer who has entered into a contract may receive a rebate that is calculated by multiplying the benefit rate, as defined in LCA 1103.F.1 and 2, times the annual gross payroll of new direct jobs, as defined in LCA 1103.H.1-9, for the specified period in the contract.
- B.** Notwithstanding anything to the contrary in either Chapter 1 or Chapter 5 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, as amended, the following rules shall apply with respect to the application of the rebate allowed:
 1. The incentive rebate allowed an S corporation shall be paid to the S corporation entity and not the individual shareholders of the corporation.
 2. The incentive rebate allowed a partnership, limited liability partnership (LLP), or limited liability company (LLC) shall be paid to the entity and shall not be paid to the individual partners or members of the entity.

- C. Notwithstanding any other provision of law to the contrary in Title 47 of the Louisiana Revised Status of 1950, as amended, the Secretary of the Department of Revenue shall make the rebate.
- D. In order to receive the rebate provided for by the contract, an employer shall apply with the Department.
 - 1. The application shall be filed on the prescribed form designated by the Department and shall contain the required information to determine if the applicant is qualified.
 - 2. The application shall contain a sworn statement, by a duly authorized officer of the employer, listing the names of persons or other entities who have received or who will receive any payment or other consideration from the employer for the purpose of representing the employer in applying for or receiving the benefits of this program.
- E. In order to qualify to receive the rebate, the employer applying shall meet the requirements of LCA 1101.B.1 and 2.
- F. The Department shall determine if an applicant is qualified to receive rebates.
- G. The approved employer shall apply annually for rebates with the Department in the prescribed format and provide the information as described in LCA 1123. The employer may be audited by the Department to verify eligibility. The rebates may continue as long as the employer complies with the approved contract and remains eligible.
- H. The benefit rate shall be determined annually based on information provided by the employer on the rebate claim reports made annually.
- I. The payroll rebates shall be paid annually after the employer submits the required annual report as specified in LCA 1123 and the Department determines the employer is eligible for the rebate for that fiscal year. The report shall be filed within ninety (90) days following the end of the employer's fiscal year with the Department of Economic Development.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

|
§ 1121. Rebate Payments

- A. In addition to the payroll rebates, an employer shall be entitled to sales and use tax rebates as authorized in R.S. 51:1787, if the employer meets the hiring requirements as defined in the Enterprise Zone Program and meets the other limitations, procedures, and requirements of R.S. 51:1787 and the rules promulgated there under, Louisiana Administrative Code, Title 13, Part I, Chapter 7.

- B.** An employer may request rebates of local sales and use taxes. This request must be accompanied by an endorsement resolution approved by the local governing authority of the appropriate municipality, parish, port district, or industrial district board in whose jurisdiction the employer is or will be located and taxes are paid. The endorsement resolution must clearly state if the local governmental subdivision intends to rebate the allowable sales and use taxes for the project. A copy of the resolution must be filed with the Department of Economic Development prior to action taken by the Board on the application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

§ 1123. Rebate Claim Filing

A. Payroll Rebate

1. A qualified employer must file annually an Affidavit of Annual Certification within ninety (90) days of the completion of employer's fiscal year with the Department to claim the payroll rebate.
2. The annual report will provide information on the number of employees at the site, the number of employees statewide, the number of new direct jobs created at the site, the number of hours worked by each employee weekly, the hourly wage paid employees in the new direct jobs, the position title, the employee's address, the hire date, the term date, the insurance acceptability, the percentage of the insurance paid by the employer, and the annual gross wages.
3. The Department may request additional information from the employer as may be necessary to determine the eligibility for the annual rebate for that fiscal year or may request the employer revise the annual report.
4. Upon approval the Department will advise the Department of Revenue the eligible rebate. The Department of Revenue shall make payment of the rebate after offset, if applicable, under R.S. 47:1622. The rebate shall be considered a refundable overpayment for the purpose of such offset.
5. If the actual verified gross payroll for the employer's third annual fiscal year does not show a minimum of five (5) new direct jobs and does not equal or exceed a total annual payroll of \$500,000 or \$250,000, whichever is applicable, the employer will be determined to be ineligible under this Chapter. The Department of Revenue will be

notified and the tax liability for the current tax period in which the failure to meet the requirements occurs shall be increased by the amount of rebates previously allowed.

B. Sales and Use Tax Rebate

1. An annual Employee Certification Report must be filed on all active contracts for the employer to qualify for the sales and use tax rebate under this Chapter.
2. The "beginning number" from which the net new jobs will be determined shall be the number of employees that an employer has on the day before the effective date of the contract.
3. An employee count will be taken from the employer's entire contiguous site for the purposes of calculating the jobs.
4. Monthly totals of permanent full time employees will be averaged over a minimum of six months to determine the number of jobs generated. Part time employees may be counted after completing a minimum of six months of continuous employment comprised of a minimum of 20 hours every week during that continuous period. Only employees reported on the Louisiana Department of Labor's Unemployment Insurance Report will be used to calculate the average monthly total. In no case shall the new employees exceed the net increase in the total employment.
5. If the Employee Certification Report substantiates that the company has not met the hiring requirements under these rules, the employer will not be eligible for the sales and use tax rebate. The Department will notify the Department of Revenue of the ineligibility.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

§ 1125. Prohibited Incentives

- A.** A qualified employer that enters into a contract under this Chapter shall not be eligible to receive the other credits or exemptions provided for in the following provisions of law except as provided for in R.S. 51:2456(B):
1. R. S. 47:34 (tax credit for generation of new jobs in Louisiana);
 2. R.S. 47:38 and 287.757 (income tax credit for conversion of vehicles to alternate fuel usage);

3. R.S. 47:4301 through 4306 (Industry Assistance Program - income tax, corporate franchise tax, state sales tax, and excise tax exemptions for manufacturing establishments);
4. R.S. 47:6004 (employer credit for employment of previously unemployed person);
5. R.S. 47:6009 (Louisiana basic skills training tax credit-income tax credit);
6. R.S. 47:6010 (employer income tax credit for employee alcohol and substance abuse treatment programs);
7. R.S. 51:1787 (Enterprise Zone Program - incentives tax exemption from sales and use tax materials to be used in the construction of a building and for machinery and income tax credit for each employee in an enterprise zone);
8. R.S. 47:287.748 (re-entrant jobs credit for formerly incarcerated employees-corporate income tax);
9. R.S. 47:287.749 (corporate income tax credit for new jobs);
10. R.S. 47:287.753 (neighborhood assistance income tax credit).

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

§ 1127. Penalties

Penalties are provided under R.S. 51:2460 for false or fraudulent information in making application, making a claim for rebate, or other instrument.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

§ 1129. Termination of Program

The Board of Commerce and Industry shall approve no new applications for rebates as provided for under this chapter on and after January 1, 2005.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).

§ 1131. Severability

If any Section or provision of this Chapter is held invalid, such invalidity shall not affect other provisions of this Chapter. Any provision of this Chapter that is in conflict with R.S. 51:2451 - R.S. 51:2462 or any other statute will be invalid and will be severable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:2451-2462 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Commerce and Industry, Financial Incentives Division, LR 22:961 (October 1996); LR26; amended by the Department of Economic Development, Office of Business Development, Business Resources Division, LR _____ (____ 2002).



Quality Jobs Program Application

Mailing Address
P.O. Box 94185
Baton Rouge, LA 70804-9185
Phone: 225/342-5398

Physical Address
1051 North Third Street
Baton Rouge, LA 70802
Fax: 225/342-0142

Visit <https://www.ledpro.led.louisiana.gov> for on-line filing

PLEASE TYPE

Date: _____

BUSINESS INFORMATION

*Advance Notification #: _____

*Business Name _____ *Year Established in Louisiana _____

Corporate Name (if different from business name - optional) _____

*Mailing Address1 _____ Mailing Address2 _____

*City _____ *State _____ *Zip Code _____ - _____

Physical Address1 (If Different from Mailing) _____

Physical Address2 _____

City _____ State _____ Zip Code _____ - _____

*Phone Number _____ Ext _____ Fax Number _____

Website Address _____ *Is it a foreign-owned company? Yes No

State/Province _____ Country _____ *NAICS Code _____

*Ownership Type: Corporation Limited Liability General Partnership S-Corporation
 Limited Partnership Non-Profit Organization Federal Government State/Local Gov't
 Out-of-State Gov't Foreign Corporation University Other

*Name of Health Insurance Plan _____ Month Fiscal Year Ends _____

BUSINESS IDENTIFICATION INFORMATION

*Federal Tax ID _____ Dun & Bradstreet Number _____

*Department of Labor Unemployment Insurance ID _____ *Department of Revenue ID _____

PARENT COMPANY INFORMATION

Company Name _____

Address1 _____ Address2 _____

City _____ State _____ Zip Code _____ - _____

Phone Number _____ Ext _____ Fax Number _____

Website Address _____

PROJECT INFORMATION

*Project Type: Start-up/New Addition Expansion

Project Name: (Optional) _____

*Provide a description of this project. _____

*Project Physical Address1 _____ Project Physical Address2 _____

*City _____ *State _____ *Zip Code _____ - _____

*Phone Number _____ Ext _____ Fax Number _____

*Parish _____ Municipal District (If Orleans parish) 1 2 3 4 5 6 7

Census Tract _____ Block Group _____ *Is this project within city limits? Yes No *NAICS Code _____

Economic Development Zone _____

* Denotes required fields.

ESTIMATED PROJECT DATES AND INFORMATION

*Beginning Date _____ *Ending Date _____

Estimated Investments Costs		Estimated Number of Jobs		Estimated Payroll	
*Building & Material	\$	*New		*New	\$
*Machinery & Equipment	\$	*Existing		*Existing	\$
*Labor & Engineering	\$	*Transferred In-State		*Transferred In-State	\$
		Transferred Out-of-State		Transferred Out-of-State	\$
		Contract		Contract	\$
		*Construction		*Construction	\$
*Total Investment	\$	*Total Jobs		*Total Payroll	\$

CONTACT INFORMATION

*Contact Type (Must have legal authority to sign this form): Business Consultant Other
 *Prefix _____ * First Name _____ MI _____ *Last Name _____ Suffix _____
 *Contact Person's Company name _____ *Title _____
 *Mailing Address1 _____ Mailing Address2 _____
 *City _____ *State _____ *Zip Code _____ - _____
 *Phone Number _____ Ext _____ Fax Number _____
 *Email Address _____

*Has another location within the state been closed or lost employment as a result of this project? Yes No
 If yes, attach a separate sheet listing the location(s) and number of employees lost at each location.

*Are you affiliated with an organization that has a Quality Jobs Contract? Yes No

*Is this company affiliated through common ownership with any other group doing business in Louisiana? Yes No

GAMING

The Board of Commerce and Industry has adopted rules prohibiting any business engaged in or owned by someone engaged in gaming from being eligible to participate in the Quality Jobs Program.

*Has the applicant or any affiliates received, applied for, or considered applying for a license to conduct gaming activities? Yes No
If yes, attached a detailed explanation, including the name of the entity receiving or applying for the license, the relationship to the applicant if an affiliate, the location, and the type of gaming activities.

EMISSIONS INFORMATION

*Are you currently under citation for any violation? Yes No (If **yes**, attach explanation on separate sheet.)
 *Will you meet all applicable environmental standards in operating this business? Yes No (If **no**, attach explanation on separate sheet.)

QUALITY JOBS PRO FORMA - EMPLOYMENT

*Year	*Number of New Direct Jobs	*Annual Gross Payroll (For Current Year New Direct Jobs)	Cumulative New Direct Jobs	Cumulative Annual Gross Payroll
20__		\$		
20__		\$		
20__		\$		
20__		\$		
20__		\$		
20__		\$		
20__		\$		
20__		\$		
20__		\$		
20__		\$		
20__		\$		
Total		\$		

* Denotes required fields.

If additional space is needed, type See Attached in the table below and attach list that provides the requested information.

QUALITY JOBS PRO FORMA - EXPENDITURES			
*Vendor Name	*Description of Item	*Quantity	*Estimated Costs
			\$
			\$
			\$
			\$
			\$
			\$
			\$
Total			\$

QUALITY JOBS PRO FORMA - TAXES

*Estimated State Sales/Use Tax _____ *Estimated Local Sales/Use Tax _____

*Year	*Louisiana Income Tax	*Louisiana Franchise Tax
20__	\$	\$
20__	\$	\$
20__	\$	\$
20__	\$	\$
20__	\$	\$
20__	\$	\$
20__	\$	\$
20__	\$	\$
20__	\$	\$
20__	\$	\$
Total	\$	\$

QUALITY JOBS FEES	
Estimated Payroll Tax Benefit	Estimated Sales Tax Rebate

*Estimated 10 Year Gross Payroll _____ *Estimated State Sales/Use Tax Rebate _____
 * X Benefit Rate (circle the rate used) 0.5 / 0.6 * + Estimated Local Sales/Use Tax Rebate _____
 * = Estimated Payroll Tax Benefits _____ * = Total Estimated Tax rebate _____

APPLICATION FEE: \$200 (minimum) --- \$5,000 (maximum)	FOR OFFICE USE ONLY
* Estimated Payroll Tax Benefit _____	DATE RECEIVED _____
* + Estimated Sales Tax Rebate _____	CHECK AMOUNT _____
* x Percentage Due (2 / 10 %) <u>0.002</u>	CHECK NUMBER _____
* = Application Fee _____	RECEIPT NUMBER _____
	INITIALS _____

CERTIFICATION

BEFORE ME, the undersigned authority, personally came and appeared, who being first duly sworn did depose and say:
 That he/she is of _____ (Title) of _____ (Company). That this affidavit is made for the specific purpose of attesting that hiring began / will begin on the _____ day of _____, 20____, that all construction shown in this application will be completed on or about the _____ day of _____, 20____, that operation of these constructed facilities covered in this application will begin on or about the _____ day of _____, 20____, and that he/she has examined the information contained in this application and found the information given to be true and correct to the best of their knowledge. Sworn to and subscribed before me this _____ day of _____, 20____.
 _____ (Notary) BY: _____ (Company Official)

* Denotes required fields.

QUALITY JOBS FORMULA

Application Processing Fee

ADVANCE NOTIFICATION FEE: -----\$100

APPLICATION FEE: -----\$200 (minimum) ----- \$5,000 (maximum)

Step 1. Estimated Payroll Tax Refund

Estimated 10 Year Gross Payroll		\$0	
Benefit Rate	X	.05	
Estimated Payroll Tax Refund		\$0	(a)

Step 2. Total Estimated Tax Refund

Estimated Payroll Tax Refund		\$0	(a)
Estimated State Sales/Use Tax Refund	+	0	
Estimated Local Sales/Use Tax Refund	+	0	
Total Estimated Tax Refund		\$0	(b)

Step 3. Application Fee

Total Estimated Tax Refund		\$0	(b)
Percentage Due		0.002	
Application Fee		\$0	

QUALITY JOBS FEE SCHEDULE

Please made check payable to: Louisiana Department of Economic Development

Advance Notification Fee ----- \$100

Application Fee -----\$200 (minimum) ----- \$5,000 (maximum)

Affidavit of Annual Certification-----\$100

QUALITY JOBS PROGRAM
ENDORSEMENT RESOLUTION
“SAMPLE”

RESOLUTION STATING (Local Governing Authority) ENDORSEMENT OF (Business Name* and Project Name) TO PARTICIPATE IN THE BENEFITS OF THE LOUISIANA QUALITY JOBS PROGRAM:

WHEREAS, the Louisiana Quality Jobs Act 153 of 2002 and;

WHEREAS, the Louisiana Quality Jobs Program offers significant incentives for economic development to some of the most distressed areas in the State and;

WHEREAS, the Louisiana Department of Economic Development designated Census Tract (Number) , Block Group (Number) in (Parish) as eligible based on enabling legislation (R.S. 51:2451-2462) and;

WHEREAS, (Parish / City) states this endorsement is in agreement with the overall economic development plan for the (Parish / City) , and;

WHEREAS, the attached map has been marked to show the location of the business being endorsed and;

WHEREAS, in accordance with the Louisiana Quality Jobs Program requirements (Parish / City) agrees:

1. To participate in the Quality Jobs Program.
2. To assist the Department in evaluating progress made in any Quality Jobs within its jurisdiction.
3. To REBATE all eligible** local sales/use taxes on the purchase of eligible construction materials, machinery, and equipment purchased for this project and used by the business permanently on that site. *(This paragraph may be omitted by the local governmental subdivision.)*

BE IT RESOLVED by (Local Governing Authority) in regular and legal session convened this day of 20 that (Business Name*) and their project (Project Name) , Quality Jobs Application # is endorsed to participate in the Louisiana Quality Jobs Program.

BE IT FURTHER RESOLVED that if any provision or item on this resolution or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this resolution which can be given effect without the invalid provisions, items or applications and to this end the provisions of this resolution are hereby declared severable.

BE IT FURTHER RESOLVED that all resolutions or parts thereof in conflict herewith are hereby repealed.

*Make sure the business' name is shown on the resolution "exactly" as that business is registered with the Louisiana Department of Revenue.

** Eligible sales/use taxes are defined as all local sales/use taxes EXCEPT those that are dedicated to the repayment of a Bond issue or dedicated to ANY public school. If the local government wishes to endorse the company's project but not to rebate any of the applicable sales/use taxes, omit the #3 statement from the resolution.

QUALITY JOBS PROGRAM

AFFIDAVIT OF ANNUAL CERTIFICATION

CONTRACT # _____

Before me, the undersigned authority, personally came and appeared _____
COMPANY REPRESENTATIVE

who being first duly sworn did depose and say: That he/she is _____ of
TITLE

_____. The said contract number shown above covers an establishment
COMPANY

in the parish(s) of _____.
PARISH

ANNUAL RECAP:

COMPANY'S TAX YEAR: _____					
	TOTALS			TOTALS	
Number of Employees <small>(total this year)</small>			Hours Worked <small>(total this year)</small>		
Number of New Direct Jobs <small>(total created this year)</small>			Gross Wages <small>(total this year)</small>		
ESTIMATED REFUND EARNED: \$ _____					
BASIC HEALTH PLAN					
_____ % Insurance Premium Paid by Employer – Individual Coverage					
_____ % Insurance Premium Paid by Employer – Individual and Dependant Coverage					

NOTE: THE FOLLOWING SUPPORTING DOCUMENTATION MUST ACCOMPANY THE AFFIDAVIT.

1. Attach supporting employee payroll reports on the prescribed format requested (see example).
2. Attach a brief explanation of the insurance policy. If the insurance coverage has changed, please submit a copy of the new policy.
3. Provide copies of the quarterly wage reports (ES-4's) filed with the Department of Labor for the same time period.

State of _____

Parish or County of _____

Sworn to and subscribed before me this _____ day of _____, 20 _____.

NOTARY

COMPANY OFFICIALS SIGNATURE & TITLE

Contact Person: Address and Phone #	Establishment Location: Address and Phone #

Please return original and 1 copy with \$100 to: LOUISIANA BUSINESS INCENTIVES DIVISION
 Post Office Box 94185
 Baton Rouge, Louisiana 70804-9185

QUALITY JOBS PROGRAM

REBATE GUIDELINES



**State of Louisiana
Department of Revenue
Office Audit Division
617 North Third Street
P. O. Box 201
Baton Rouge, La 70821-0201
225/219-2430
FAX 225/219-2267
www.rev.state.la.us**

State of Louisiana
Department of Revenue

QUALITY JOBS PROGRAM
Louisiana State Sales/Use Tax Rebate
Louisiana Revised Statute 51:2451-2462 (Incentives)

The Department of Revenue will accept claims and issue rebates for Louisiana State Sales/Use taxes paid on construction materials, machinery, and equipment purchased during the construction period to be used on the approved site of the project indicated on the Quality Jobs contract. These claims will be accepted only after this department receives a copy of the signed contract from the Department of Economic Development.

This contract **does not** authorize any Louisiana State Sales/Use tax exemption on any purchases. Neither contract holder nor any of its contractors or subcontractors is authorized to make tax free purchases from vendors.

The Claim for Rebate of Louisiana State Sales/Use Taxes Paid Form must be submitted no later than **six months from the completion date reported on the Project Completion Report**. The following must accompany this claim form:

1. Appropriate schedules, as explained on Item III of the attached Information Sheet, listing materials, machinery, and equipment with vendor name, invoice numbers, delivery dates, purchase amounts, Louisiana State Sales/Use tax paid on each purchase, and brief description of each item. The Louisiana State Sales/Use tax is levied at a rate of 4% on purchases made in or delivered to Louisiana.
2. A certification stating the materials, machinery, and equipment included in the Claim for Rebate of Louisiana State Sales/Use Taxes Paid will be or have been delivered to and used on the site in the approved Quality Jobs project. Louisiana State Sales/Use taxes paid on construction equipment, leases/rentals, and consumables that are not actually incorporated into the Quality Jobs project are not eligible.
3. A certification stating the 4% Louisiana State Sales/Use taxes have been paid on the items listed.
4. A list of all contractors and subcontractors including addresses and contract amounts.
5. Provide a copy of each invoice totaling \$15,000 and greater. A description of the purchased item(s) must be listed on each invoice.

Failure to submit this information may result in processing delays.

Included in this packet are forms and/or examples of:

- Information Sheet
- Policy in Relation to Lease Agreements
- Claim for Rebate of Louisiana State Sales/Use Taxes Paid
- Rebate Worksheet
- Explanation of Disallowance Codes
- Schedules A, B, C, and CA

If you have any questions regarding your Claim for Rebate of Louisiana State Sales/Use Taxes Paid, please contact the Sales Tax Division at (225) 219-2430 or www.rev.state.la.us.

State of Louisiana
Department of Revenue

**Quality Jobs Program
Louisiana State Sales/Use Tax Rebate
Information Sheet**

I. Qualifying Items

- A. Capitalized and depreciable assets used in the business such as machinery, equipment, desks, filing cabinets, chairs, copy machines, and forklifts used exclusively for and delivered to the approved Quality Jobs site.
- B. Components of the building such as couplings, rebar, flanges, T's, ells, pilings, paneling, sheetrock, paint, shell, gravel which will remain on site, lumber, bricks, concrete for the building and driveways, grass, shrubs, etc.

II. Non-Qualifying Items

- A. Small hand tools (wrenches, screwdrivers, paint brushes, etc.); safety equipment (goggles, gloves, respirators, glasses, etc.); office supplies (pens, paper, staplers, etc.); blueprints; and photographs.
- B. Spare parts and repairs to equipment will be disallowed; however, replacement parts that are acquired at the time of the equipment purchase are acceptable.
- C. Leases and rentals.
- D. Purchases made by contractors which do not become a component of the building or passed on to the contract holder.
- E. Vehicles licensed for road use.
- F. Ineligible items listed on Schedule 1 of the Quality Jobs contract.

III. Rebate Request Is To Be Formatted In the Following Manner

- A. **Schedule A** should list items purchased by contract holder and no Louisiana State Sales Tax was paid on the purchases.
 - 1. The contract holder should have accrued and paid the Louisiana State Use tax directly to the Department of Revenue. Please note, if it is determined that the Use tax was not remitted, then tax, interest, and penalties must be paid prior to submission of the Rebate Claim. If not, interest, and penalties on those accruals will be deducted from the rebate.
 - 2. This schedule should list vendor name, vendor invoice number, delivery date, purchase amount, brief description of each item, tax period on which the items were accrued, and amount of Use tax paid.
- B. **Schedule B** should list items purchased by the contract holder and the Louisiana State Sales tax that was paid to vendor(s).
 - 1. This schedule should contain vendor name, vendor invoice number, delivery date, each purchase amount, amount of Louisiana State Sales tax paid on each purchase, and brief description of each

item.

- C. **Schedule C** should list items purchased by the contractor and Louisiana State Sales tax that was paid to vendor(s).
1. This schedule should list the contractor name, vendor name, vendor invoice number, delivery date, each purchase amount, amount of Louisiana State Sales tax paid on purchase, and brief description of each item.
- D. **Schedule CA** should list items purchased by contractor and no Louisiana State Sales tax was paid on the purchases.
1. The contractor should have accrued and paid the Louisiana State Use tax directly to the Department of Revenue.
 2. This schedule should list contractor name, vendor name, vendor invoice number, delivery date, and each purchase amount, brief description of each item, the contractor's Louisiana Sales/Use tax number, tax period on which the items were accrued, and amount of Use tax paid.
- E. Purchases on Schedule A and/or Schedule CA should be listed in chronological order by tax periods.
- F. Submit a legible copy of all invoices \$15,000.00 and greater. All invoices must be maintained should additional information be required during the audit of your claim by this department.
- G. Credit will not be given on progress payments until actual delivery of the tangible property to the approved Quality Jobs site. All progress payment invoices (100%) must be submitted to substantiate taxes paid on this property.
- H. Credits taken on any schedule must be accompanied by an explanation. If the credit is from a previous claim, indicate the date the claim was submitted, and identify on which schedule the invoice number and amount were claimed.
- I. Resubmission of information for disallowed items should be submitted separately from any new Claim for Rebate of Taxes Paid.
1. A copy of the disallowance schedule from this department should be included with the resubmission.
 2. Do not duplicate previously rebated items.

State of Louisiana
Department of Revenue

Guidelines in Relation to Lease Agreements

Any transaction involving tangible personal property determined by the Secretary of Revenue to be in lieu of a sale and/or which is determined to be a security device will be treated by the department of Revenue as a sale and a sales tax will be due on the total stated consideration less any separately computed finance charges. It will be necessary that each instrument be review in order to determine whether the transaction is actually a sale or a lease of tangible person property.

- I. The following is a list of factors that would indicate the instrument is actually a sale rather than a lease:

- A. Title passes to the lessee at the inception of the agreement.
 - B. The lessee is obligated for the total amount of the purchase price regardless of seizure by the lessor for nonpayment.
 - C. There is an automatic transfer of title at the completion of the lease contract without additional payment or for a nominal consideration as defined in R.S. 9:3306(20).
 - D. The lessee is obligated to make payment over the full term of the contract.
 - E. The sales price is established in the lease instrument.
 - F. The lessee has the right to apply lease payments against the purchase price.
 - G. The lessee has the responsibility to insure, maintain, service, and repair the property.
 - H. The total lease payment that the lessee is required to make is approximately equal to the regular purchase price of the property plus reasonable finance charge.
 - I. Any other provision of the agreement indicating the intention of the parties.
- II. The following is a list of factors that would indicate the instrument is actually a lease:
- A. The lessor retains control over the property.
 - B. The lessor has the absolute right to reclaim the property if the lessee defaults in payment of installments.
 - C. The rental payment is approximately equal to the fair rental value of the property.
 - D. The lessee can return the property in question at any time without being obligated for the total amount of the installments.
 - E. The lessor retain title to the property, take depreciation on it, and transfers it possession temporarily to one or more lessees, with none of them obligated to retain the property and with the option of returning the property to the lessor with no financial obligation beyond the payment of the agreed upon lease price for the periods of their possession.
 - F. The option price (price to be paid at the end of the transaction in order to obtain title) is approximately equal to the fair value of the property at the option date.

The actions and intent of the parties involved should also be reviewed and if the "lessor" credits his sales account, decreases his perpetual inventory and increases his cost of goods sold or if the "lessee" increases his asset account and begins taking depreciation on the property described in the "lease contract," it is an indication that a sale has actually taken place.

In most instances, the contract will probably contain terms and conditions which will be included in the two categories listed above and it will be necessary that a judgment decision be made determining the nature of the instrument. The above listed items are to be used as guidelines only.

**State Of Louisiana
Department Of Revenue**

Quality Jobs Program

Claim for Rebate of Louisiana State Sales/Use Taxes Paid

STATE OF LOUISIANA

PARISH OF _____

Taxpayer Name _____
(Name on Quality Jobs Contract)

Mailing Address _____

City, State, Zip _____

Represented by _____
(Name and Title of Contact Person)

Telephone Number of Contact Person _____

Quality Jobs Contract Number _____

Louisiana State Sales/Use Tax Account Number _____

Contract Period(s) _____

1. Total amount paid for period \$ _____

2. Total amount of Rebate due \$ _____

3. Amount of this Rebate Request \$ _____

This Claim for Rebate of Louisiana State Sales/Use Taxes Paid is requested for the following reasons:

Signed _____

(Attach schedules and invoices to this form)

**State Of Louisiana
Department Of Revenue**

Quality Jobs Program

Claim for Rebate of Louisiana State Sales/Use Taxes Paid

STATE OF LOUISIANA

PARISH OF _____

Taxpayer Name _____
(Name on Quality Jobs Contract)

Mailing Address _____

City, State, Zip _____

Represented by _____
(Name and Title of Contact Person)

Telephone Number of Contact Person _____

Quality Jobs Contract Number _____

Louisiana State Sales/Use Tax Account Number _____

Contract Period(s) _____

1. Total amount paid for period \$ _____

2. Total amount of Rebate due \$ _____

3. Amount of this Rebate Request \$ _____

This Claim for Rebate of Louisiana State Sales/Use Taxes Paid is requested for the following reasons:

Signed _____

(Attach schedules and invoices to this form)

State Of Louisiana
Department Of Revenue

Quality Jobs Program Rebate

**Louisiana State Sales/Use Tax Rebate
Explanation of Disallowance Codes**

- 1 - Expendable.
- 2 - Purchased prior to project start date on the Quality Jobs Affidavit of Final Cost.
- 3 - Purchased after project completion date on the Quality Jobs Affidavit of Final Cost.
- 4 - Description is too general.
- 5 - Not taxable.
- 6 - Need copy of invoice.
- 7 - Contractors and Sub-contractors -need detail of purchases including: contractor name, vendor name, invoice number, delivery date, purchase amount, Louisiana State Sales/Use tax paid or accrued, and brief description of each item.
- 8 - Unable to identify item.
- 9 - Vendor's Compensation on taxes paid.
- 10 - Services, leases, and rentals not eligible.
- 11 - Need delivery date.
- 12 - Need description of item.
- 13 - Need vendor's name.
- 14 - Need vendor's Louisiana State Sales/Use tax account number.
- 15 - Labor is not taxable.
- 16 - No Louisiana State Sales/Use tax charged on purchases.
- 17 - Invoice(s) not legible.
- 18 - Rebate request greater than invoice amounts.
- 19 - Estimated tax not allowed.
- 20 - Licensed vehicles not eligible.
- 21 - Amount claimed exceeds 4% allowable tax.
- 22 - Need Debit/Credit memorandum issued.

- 23 - Need copy of all invoices \$15,000 or greater.
- 24 - Repairs to existing equipment not allowed.
- 25 - Need Louisiana State Sales/Use tax account number for accrued items.
- 26 - Need tax period(s) on accrued items.
- 27 - Unable to identify item on invoice.
- 28 - Not eligible under Quality Jobs Program.
- 29 - Tools not eligible.
- 30 - Tax not accrued on account or period stated on schedule.
- 31 - Description of purchase is not on invoice.
- 32 - Need copies of all invoices totaling purchase price and tax amount claimed.
- 33 - Amount claimed on schedule does not agree with invoice.
- 34 - Need all invoices (100%) on progress payments of equipment purchases.
- 35 - Need copy of invoice from vendor to contractor/subcontractor.
- 36 - Need documentation showing deliver to Quality Jobs project site.
- 37 - Need copy of cancelled check showing amount paid as indicated on invoice.

Name of Contract Holder:
 Contract Construction Period:
 Quality Jobs Contract #:
 Louisiana Dept. of Revenue Sales/Use Tax Account #:

Page ____ of ____

SCHEDULE A - Purchased by Contract Holder and No Taxes Paid to Vendor					4% State Use Tax Accrued	
Vendor Name	Vendor Invoice #	Delivery Date	Purchase Amount	Description	Tax Period	Amount
Page/Grand Total				Page/Grand Total		

Name of Contract Holder:
 Contract Construction Period:
 Quality Jobs Zone Contract #:

Page ____ of ____

SCHEDULE C - Purchased by Contractor and Taxes Paid to Vendor

Contractor Name	Vendor Name	Vendor Invoice #	Delivery Date	Purchase Amount	4% State Sales Tax Paid	Description
Page/Grand Total						

Name of Contract Holder:
 Construction Period Contract:
 Quality Jobs Contract #:

Page ____ of ____

SCHEDULE CA - Purchased by Contractor and No Taxes Paid to Vendor

Contractor Name: Contractor Louisiana Dept. of Revenue Sales/Use Tax Account #					4% State Use Tax Accrued	
Vendor Name	Vendor Invoice #	Delivery Date	Purchase Amount	Description	Tax Period	Amount
Page/Grand Total				Page/Grand Total		

