

JEFFERSON PARISH INDUSTRIAL TAX EXEMPTION PROGRAM RUBRIC

TIER ONE – Total investment less than \$5,000,000			
	Level A	Level B	Level C
Term	5 years	5 years	5 years
Percentage	45%	60%	75%
Investment	Min. \$50,000 - \$4,999,999	Min. \$50,000 - \$4,999,999	Min. \$50,000 - \$4,999,999
Net New Jobs ¹	Min. 10	Min. 25	Min. 40
Wages ²	100% of Parish’s average annual wage	100% of Parish’s average annual wage	100% of Parish’s average annual wage

TIER TWO – Total investment \$5,000,000 or greater			
	Level A	Level B	Level C
Term	8 years (Phase I = 5 yrs; Phase II renewal = 3 years)	8 years (Phase I = 5 yrs; Phase II renewal = 3 years)	8 years (Phase I = 5 yrs; Phase II renewal = 3 years)
Percentage	Phase I = 45%; Phase II = 45%	Phase I = 60%; Phase II = 60%	Phase I = 75%; Phase II = 75%
Investment	\$5,000,000+	\$5,000,000+	\$5,000,000+
Net New Jobs ¹	Min. 15	Min. 30	Min. 45
Wages ²	100% of Parish’s average annual wage	100% of Parish’s average annual wage	100% of Parish’s average annual wage

¹ ITEP rules allow for the consideration of applications where no job creation results if the applicant provides a compelling reason for the retention of existing jobs. In these cases, the tax levying bodies will use discretion on the approved Phase I and Phase II term and percentage, provided the Phase II renewal term may not exceed 3 years at 80%.

² The average wage of all net new jobs created must equal 100% of the Parish’s average annual wage as set forth in the Bureau of Labor Statistics latest available average annual wage of Jefferson Parish.

Compliance Auditing

At the 5-year mark for Tier One and Two awards, and at the 8-year mark for a Tier Two award, the applicant must submit documentation that clearly shows the job creation, wages, investment amount and bonus criteria, which were the basis for the exemption award, were adhered to. If the applicant has failed to meet the aforementioned metrics and criteria, then the following penalties shall apply:

- For Tier One awards, the applicant’s deficiency in performance or inability to meet its obligations will be taken into consideration by the tax levying entities on the applicant’s subsequent request for exemption. This may result in the approval of a lesser exemption award than would otherwise be allowed by the rubric, or no award on the subsequent application.
- For Tier Two awards at the 5-year mark, the applicant’s deficiency in performance or inability to meet its obligations will result in cancellation of the contract, such that the applicant will no longer be eligible for the Phase II exemption. If the applicant has fulfilled its obligations, there will be no penalty applied.
- For Tier Two awards at the 8-year mark, the applicant’s deficiency in performance or inability to meet its obligations will be taken into consideration by the tax levying entities on the applicant’s subsequent request for exemption, which may result in the approval of a lesser exemption award than would otherwise be allowed by the rubric, or no award on the subsequent application.

Bonus considerations: Tax levying entities may grant an additional 5% abatement for each one of the following factors provided; however, the total additional exemption percentage granted shall not exceed 25%. For Tier Two projects, the additional exemption percentage shall be added to both the Phase I term and the Phase II renewal term provided the Phase II term shall not exceed 80%.

- EDGE industry cluster or support business
- National or international headquarters facility
- Average annual wage of net new jobs created are 125% above the latest available average annual wage per BLS
- Increase jobs by at least 20% at site (minimum 10 jobs in Tier One, minimum 15 jobs in Tier Two)
- Project is the result of an adaptive reuse of a site or building, or project occupies a site or building that has been vacant for at least two years
- At least 50% of net new hires reside in Jefferson Parish
- At least 75% Jefferson Parish-based contractors are used by applicant during construction of project (% based on estimated construction valuation of the project)
- Business is located in a distressed region - which is further defined as a census tract block group that is below the state median per capita income, based upon the latest federal decennial census - or an Enterprise Zone.