Industry Makes Response to an American Press article entitled, "**Giving Away the Future"**, by Emily Burleigh.

Industry Makes would like to rebut the recent piece "Giving Away the Future,", disguised as a news story. This is clearly an opinion piece citing the Ohio River Valley Institute (ORVI), an activist group calling itself a "research center". The organization states that it was "*founded in 2020 with the intention of producing research on shared prosperity, clean energy and equitable civic structures."* The author, Emily Burleigh refers to ORVI as "an independent, nonprofit research and communications center." -- ORVI may be independent, but they are certainly not impartial and definitely have a social agenda that is not data driven, as referenced in their mission statement.

I would like to start by providing some important context. Louisiana has one of the highest homestead exemptions in the nation at $75,000 per household. With an exemption that large (which residential property owners enjoy every year without having to re-apply), property taxes fall disproportionally on Louisiana businesses. In recognition of this, in 1936, Louisiana created the Industrial Property Tax Exemption Program for manufacturers to ***temporarily*** alleviate some of this undue tax burden. This allows businesses to re-invest in growth and expansion in Louisiana. Our manufacturers have worked tirelessly and effectively with the State of Louisiana to remain compliant with the terms of the program, allowing them to obtain a renewal for the full ten-year eligibility (as the ITEP was originally written). These businesses must also successfully navigate the new ITEP rules included in former Governor Edwards' 2016 executive order.

Governor Landry's Executive Order JML 24-23, removes the job requirement from the ITEP because the ITEP is **not** a job incentive program, it is a program designed to encourage investment in Louisiana. EO JML 24-23 also streamlines local governments' participation into one industrial board for each parish responsible for making local decisions about ITEP. These board members must be appointed by the local governing body. What Governor Landry's EO does not do is change the 20 percent up front revenues that local governments will receive from potential projects, as this piece would have you believe.

Additionally, the piece references industry “subsidies” when describing tax incentive programs. Let’s be clear-- **you cannot give away what you do not have.**

If the state or local taxing authority chooses not to grant an ITEP exemption, then they will receive zero percent in revenue today and zero percent in revenue after ten years. The state or the local government does not put-up money in advance for an ITEP, nor does it have to cut a budget to offer the exemption. An ITEP exemption gives local taxing authorities 20 percent of property tax revenue today and 100 percent of property tax revenue at the end of the ten-year abatement if the manufacturer complies with the rules and regulations of the ITEP.

The purpose of Louisiana’s tax incentive program is to attract projects that generate long-term benefits for the local community and region, as well as the state. The ITEP program is a significant arrow in the state’s economic development quiver.

It is disappointing that the American Press chose to print an article from a thinly veiled, out- of- state activist group that attempts to discredit the most successful economic development tool the State of Louisiana has. Industry Makes will continue to work hard ensuring that Louisiana keeps this incentive.

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