



Louisiana **Brownfields Investor Tax Credit**

**LA Department of Environmental Quality
LA Department of Revenue**

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
: A CLEAN STATE OF MIND FOR ALL YOUR ENVIRONMENTS



Brownfields Investor Tax Credit

- A tax incentive created by the Legislature to stimulate economic development by encouraging
 - environmental investigation
 - cleanup, and
 - redevelopment of brownfield properties in Louisiana
- Authorized by *R.S. 47:6021*



What Is It?

- Provides a credit against Louisiana Income Tax
 - 15% of the cost of environmental investigation
 - 50% of the cost of environmental cleanup
- Jointly Administered by LDEQ and LDR (Revenue)



What Is It?

- For up to 10 years, credit may be:
 - Carried forward (rolled over) on state income tax
 - Transferred (sold or traded) to another eligible entity
 - May be sold/transferred in parts



Who Qualifies?

- Private/Commercial (for-profit) Entities
- Non-Profit Entities
- Local Governments



Who Qualifies?

- Must enroll site in the LA Voluntary Remediation Program (VRP)
- Cannot be a “Responsible Person” (as defined in the VRP)
- Cannot be in default on a loan made or guaranteed by the state or have discharged obligations to the state under bankruptcy



Non-Responsible Party

- You are a “non-responsible party”—if you **didn't**:
 - Create, haul, dispose, dump, discharge (or knowingly allow), operate disposal site,
- And so, you **did**:
 - Acquire the property “innocently” (bought, inherited, received donation, etc.)



What Is the Process?

- Credit each earned for completing and receiving approval of:
 - Voluntary Remedial Investigation (approved investigation report)
 - Voluntary Remedial Action (Certificate of Completion)

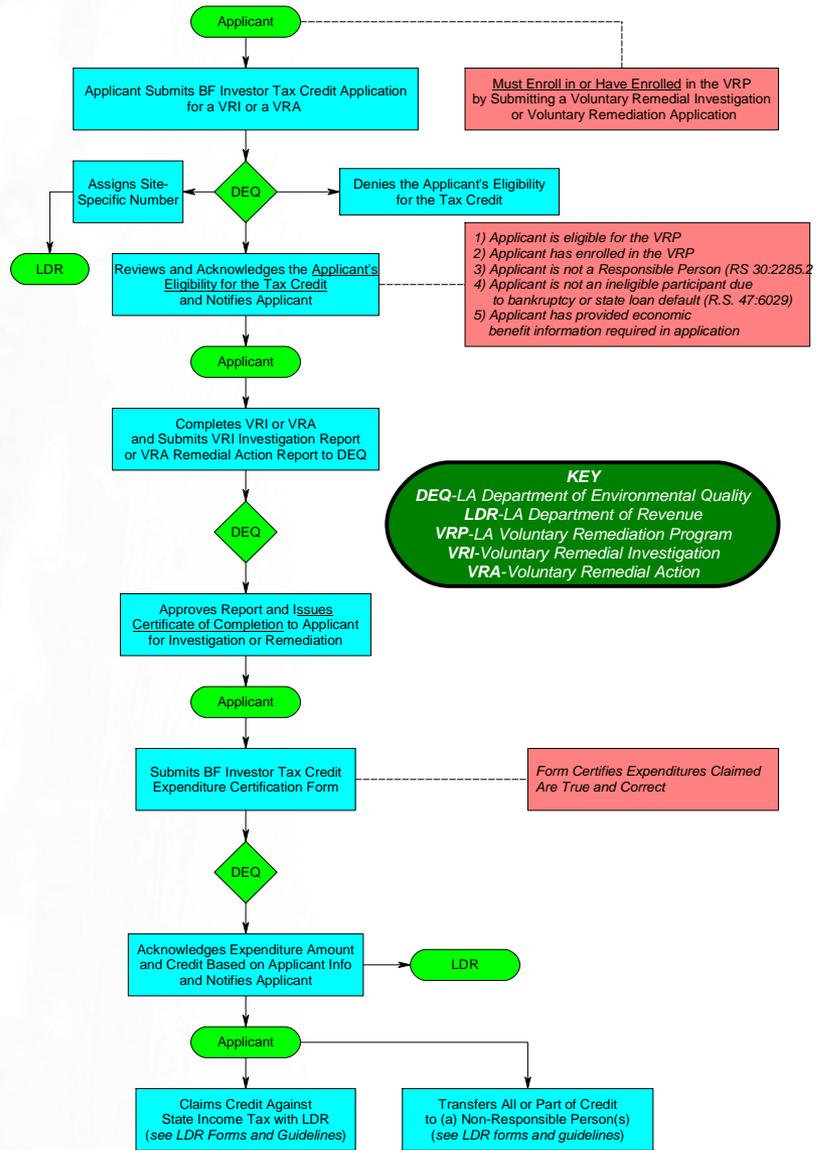


What Is the Process?

- Two-part process for both investigation and remediation credits
 - DEQ receives initial application and acknowledges eligibility for the credit
 - Applicant completes the investigation or remediation (spends the money)
 - Certifies the expenditures
 - DEQ acknowledges the certification and forwards amount to LDR
 - Applicant may claim or transfer credit



LOUISIANA BROWNFIELDS INVESTOR TAX CREDIT APPROVAL PROCESS



KEY
 DEQ-LA Department of Environmental Quality
 LDR-LA Department of Revenue
 VRP-LA Voluntary Remediation Program
 VRI-Voluntary Remedial Investigation
 VRA-Voluntary Remedial Action



What Costs Are Eligible?

- Expenditures must be incurred by the applicant
- Must be relevant to and required for the investigation or remediation
- “Pre-VRP entry” costs (Phase I & II ESA, plans, etc.) may be eligible



17 Applications Received to Date

- Credits
 - \$4.7 Million
- Projected Direct Economic Benefits
 - \$574 Million
- Jobs Created or Preserved
 - 8600
- *Return on Investment*
 - 122:1 (!)



For More Information

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