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A BASIC GUIDE TO

DOING BUSINESS IN LOUISIANA



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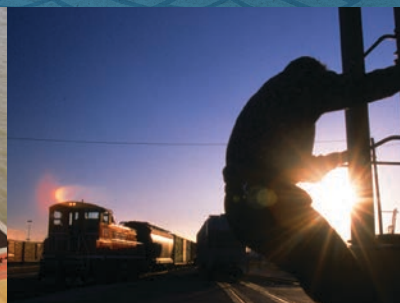
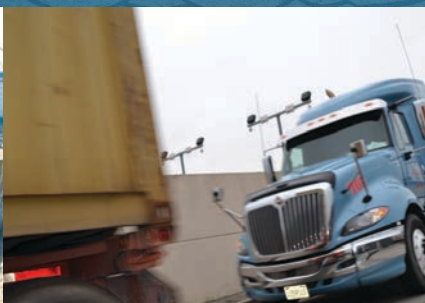
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Dominik Knoll
Chief Executive Officer
World Trade Center
New Orleans

Dear Reader:

Doing business in the United States, and in Louisiana, can be a complex affair when operating without the appropriate information. Thus, *The Basic Guide to Doing Business in Louisiana* provides a convenient introduction to the U.S. system, as well as the business culture, structure, and other considerations for starting and operating a business in Louisiana.

The Basic Guide to Doing Business in Louisiana was prepared using current information at the time of its printing. However, information such as federal and state tax incentives are often modified, thus we encourage readers to use this Guide as a preliminary resource and to contact the entities listed within to determine current status of applicable programs or incentives.

This complimentary publication was prepared and distributed by the Trade Services Department of the World Trade Center of New Orleans, as a means to fulfill its mission to offer trade intelligence services to businesses of all sizes. The Trade Services Department was created several years ago in response to the growing trade intelligence needs of the Louisiana business community. Since its inception, the World Trade Center of New Orleans has grown its data sources and research capacity; this expansion enables us to take on a much greater role in fostering trade in our region.

Trade intelligence, Business Data, as well as resources like *The Basic Guide to Doing Business in Louisiana* are very helpful, but often unavailable to small and medium sized firms – or at the very least, prohibitively expensive. For that reason, the services offered by the Trade Services Department are affordably priced, in some cases, complimentary, and made available to members and non-member clients of the World Trade Center of New Orleans.

Such trade services include preliminary facts and data reports, legal environment reports, Foreign Direct Investment reports, tailored trade leads databases, competitive analyses, business matchmaking sessions, as well as customized project requests. Our location next to, and cooperation with, the largest port system in the United States also puts us in an ideal position to offer logistical support for those who wish to export and import.

In closing, by producing publications such as *The Basic Guide to Doing Business in Louisiana*, the World Trade Center of New Orleans hopes to reach a broader audience and assist new and already-established businesses achieve their goals through access to easy-to-read, centralized information.

We hope you find the information contained herein beneficial to your line of business and we thank you for considering and/or operating your company in the great State of Louisiana.

The first edition of this guide was published circa 2011 by John J. Weiler, Esq. and Christian N. Weiler, Esq. *The Basic Guide to Doing Business in Louisiana* represents an ongoing collaboration, and as such the World Trade Center of New Orleans would like to thank John J. Weiler, Esq., Christian N. Weiler, Esq., Faizat Badmus-Busari, and Maura E. Zeik, Esq., for their assistance in updating this edition.



Zhandra Marin
Trade Services Director
World Trade Center
New Orleans



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Our Transportation and Logistics Team working with our Economic Development Team regularly advises clients regarding transportation, logistics and maritime issues relating to the entire supply chain from production to port. Team members understand the particular demands and complexity of the industry and focus on maintaining real-time knowledge of statutory, regulatory and legal decisions that impact our clients' businesses. We service multiple modes of transportation – highway, water, air, rail, and pipeline.

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TABLE OF CONTENTS

INTRODUCTION7

- a. Introduction to the United States Legal System
- b. Introduction to the United States Tax System

LOUISIANA BUSINESS ORGANIZATIONS9

1. Sole Proprietorship
2. General Partnership
3. Partnership in Commendam
4. Limited Liability Company
5. Corporation
6. Joint Venture
7. Table

LOUISIANA LAWS TO CONSIDER WHEN STARTING A BUSINESS ... 15

1. Employment Laws
2. Worker's Compensation
3. Hiring of Foreign National

AVAILABLE FEDERAL TAX INCENTIVES.....16

1. Commercial Revitalization Deduction
2. EB-5 Visa Alien Investor Program
3. Tax Credit, Wages for Empowerment Zone and Renewal Communities
4. Renewal Community Capital Gain Exclusion
5. Enterprise Zone Qualified Business Entity Stock Gain Exclusion
6. Foreign Trade Zones
7. HIRE Act
8. Low Income Housing Tax Credit Program
9. New Markets Tax Credit Program
10. Rehabilitation Tax Credit
11. Renewal Community Wage Tax Credit
12. Small Business health Care Tax Credit
13. Work Opportunity Tax Credit

STATE OF LOUISIANA BUSINESS AND TAX INCENTIVES ... 18

1. Corporate Jobs Tax Credit Program
2. Early Stage Angel Investment Incentives
3. Louisiana Community Development Financial Institution (LCDFI)
4. Louisiana Economic Development Award Program
5. Economic Development Districts
6. The Enterprise Zone (EZ) Program
7. Entertainment Tax Credits
8. Governor's Rapid Response Fund
9. State Certified Green Projects (Act 520)
10. Headquarter Growth Act
11. The Import Export Cargo Credit (Act 474)
12. Louisiana Industrial Tax Exemption Program
13. Louisiana Industry Assistance Program
14. Inventory Tax Credit Programs
15. Investor Tax Credit (Act 474)
16. Low Income Housing Tax Credit
17. Modernization Tax Credit (Act 447)
18. Net Capital Gains Deduction (Act 457)
19. New Markets Credit (Act 463)
20. Quality Jobs Program
21. Research and Development Tax Credit
22. Restoration Tax Abatement (RTA)

23. Historic Structure Rehabilitation Credit
24. Alternative Fuel Credit
25. Wind and Solar Energy Systems Credit (Act 467) VI

REGIONAL INCENTIVES OFFERED23

1. Immigration Through Investment Program
2. Industrial Revenue Bonds
3. Payment in Lieu of Tax (P.I.L.O.T.)

FINANCIAL ASSISTANCE PROGRAMS OFFERED23

1. Exim Bank City/State Program
2. Incumbent Worker Training Program
3. The Louisiana Department of Economic Development
4. Louisiana Industry Assistance Program
5. Louisiana State Market Commission Loans
6. Louisiana Project Equity Fund
7. Workforce Development Grants
8. Small Business Administration

STARTING A BUSINESS IN THE STATE25

1. Tax Registration
2. Business Licenses
3. Local Permits
4. Incorporation Filing
5. Doing Business As
6. Withholding Taxes
7. I-9 Form
8. New Hire Reporting
9. Insurance Requirements

LOUISIANA'S KEY INDUSTRIES26

- a. Manufacturing Business in Louisiana
- b. Aerospace
- c. Agribusiness
- d. Automotive
- e. Energy
- f. Entertainment
- g. Process Industries
- h. Software Development
- i. Water Management

LOUISIANA EXPORT STATISTICS28

LOUISIANA RAILROAD SYSTEM30

LOUISIANA SEA PORTS.....30

LOUISIANA AIRPORTS31

DOING BUSINESS BY PARISH32

- a. Jefferson Parish
- b. Lafayette Parish

CONSULS AND HONORARY CONSULS IN LOUISIANA 33

- a. Consuls
- b. Honorary Consuls



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INTRODUCTION

Louisiana's economy is booming and is showing no signs of slowing down. Since 2008, Louisiana has been home to economic development projects responsible for the creation of more than 63,000 jobs and more than \$28 billion in new capital investments. (Source: Office of the Governor, State of Louisiana, July 23, 2013). Louisiana has an abundance of ports and port related infrastructure, and has the greatest concentration of crude oil refineries, natural gas processing plants and petrochemical production facilities in the Western Hemisphere. The ports are crucial, as they provide state owned cargo transfer facilities and equipment for many water related industries. They also provide a significant and positive economic impact in the form of jobs and tax revenues. According to the Division of Administration for the state, Louisiana is the 3rd largest producer of petroleum and the 3rd leading state in petroleum refineries. Louisiana also boasts the 6th highest export value in the United States.

Louisiana is an attractive place to do business. In August 2014, Business Facilities magazine announced that Louisiana's business climate ranked 1st in the nation, the highest-ever business climate ranking for the state. This rating illustrates how Louisiana has become one of the top destinations for business investment and job creation in the U.S. The same publication ranked Louisiana as 2nd among leading states in natural gas production and 2nd among states with the most Free Trade Zone activity. Additionally, Louisiana ranked 3rd in Business Facilities' Economic Growth Potential category. The Tax Foundation, a nonpartisan tax research group, positioned Louisiana as the state with the 2nd lowest tax burdens in the U.S. for new businesses and 10th lowest for mature businesses. Nevertheless, before anyone can launch an enterprise in Louisiana, it is important to obtain the necessary professional advice and to follow the required procedures in order to ensure that the enterprise is a success.



a. Introduction to the United States' legal system

The United States has a federal system of government. The Constitution, which is the supreme law of the land, defines its structure. There is a national (federal) government of enumerated powers and fifty state governments with restricted autonomy. Also, within the states, local governmental bodies exercise certain authority.

In legislative matters, this federal structure imposes three sets of applicable laws for the state of Louisiana:

- 1) The national legislature in Washington, D.C., enacting federal laws. These laws are applicable throughout the United States.
- 2) Louisiana's legislature in Baton Rouge, enacting state laws. These are applicable throughout Louisiana.
- 3) Citywide and parish-wide officials, enacting local laws and ordinances. These are applicable in the city or parish where they are enacted.

With regard to judicial decisions, the federal structure creates separate state and federal courts. In the federal court system, federal district courts are the courts of first instance, followed by the appellate courts, and finally the United States Supreme Court. The Supreme Court is the highest court in the United States and its decisions cannot be appealed. In the state court system, trial courts are the courts of first instance, followed by courts of appeal, and finally a state supreme court. The Supreme Court has the authority to review decisions from state supreme courts in certain limited matters.

For a matter to be within the jurisdiction of the federal court system, it must be related to a power granted to the federal government by the Constitution, involve the interpretation of a federal statute, or be a dispute between persons domiciled in different states, such as issues related to international trade. Certain matters are strictly within the jurisdiction of the federal court system, such as Bankruptcy matters and Admiralty matters.

Louisiana's legal system is the only one in the U.S. to be based on civil law, specifically the Code Napoléon of France. Under Louisiana state law, cases may be decided by judicial interpretation of the statutes, without reference to prior court cases, whereas in other states and in the federal courts the common law prevails, and decisions are generally based on previous judicial interpretations and findings. In actual practice, Louisiana laws no longer differ radically from U.S. common law, and most Louisiana lawyers and judges now cite previous cases in their arguments and rulings.

b. Introduction to the United States' Tax System

Income Tax – A tax levied on the financial income of persons, corporations, or other legal entities. Federal income tax rates are between 10% and 35%, depending on income and family status. Louisiana income tax rates are between 2% and 6% depending on income and family status.

Sales Tax – Businesses domiciled in Louisiana are required to pay sales taxes to the state of Louisiana and to the parish in which the sale occurs. The tax is levied on the retail sale of personal property, on goods used or stored for use in state, on leases and rentals of tangible personal property, and on certain services. The current state sales tax rate is 4%. Each parish rate varies depending on current tax legislation, although the average local sales tax is around 4%. For local sales taxes by parish, please visit.

<http://www.laota.com/>

Property tax – In Louisiana, property tax is imposed at the local level. The property tax applies not only to real estate and tangible personal property, but also to certain intangible property. Local assessors determine the fair market value of immovable property. The property tax is generally assessed on a percentage of the fair market value of property subject to tax, according to classification of the property. This usually ranges between 10% and 25% depending on the property's classification.

Excise Tax – A tax imposed on a particular act, event, or occurrence, with the object of providing revenue for the general expenses of government. This can be on the manufacture, sale, or use of goods (such as a cigarette tax), or on an occupation or activity (such as a license tax).

Estate Tax – A tax assessed on property owned or controlled by a deceased person before it is transferred to heirs who are in line to inherit the property. The tax is imposed at the federal level for estates having a fair market value over a certain amount. Foreign investors are subject to the estate tax on real and tangible personal property located in the United States. Louisiana does not impose any inheritance taxes.

It is worthy to note that Louisiana enjoys Annual Sales Tax Holiday usually around the first week of August which is advantageous to businesses.





LOUISIANA BUSINESS ORGANIZATIONS

In choosing how to structure a business in Louisiana, there are certain factors to consider. To what extent are the owners protected from liabilities incurred by the business? How will the business be taxed? How will the business be managed? What will be the duration of the business? After considering these, and several other considerations, here are some of the possibilities for business structures used in Louisiana:

1) Sole Proprietorship – An owner who undertakes business in his or her own name or that of a trade name. The business is undertaken directly by the owner. The identity of the owner and that of the business are one and the same and no separate entity is created. The business is not a separate legal entity, which means that the business itself cannot be sued nor can it sue another entity in its business name.

Because the proprietor and the business are the same, the proprietor faces unlimited liability for all debts and obligations incurred by the business. There is no separation between the proprietor's business assets and his or her personal assets, so creditors may seize the proprietor's personal property in order to pay debts and obligations owed by the business.

All revenue generated by the business is reported on the proprietor's personal tax return. This avoids the double taxation that takes place with corporations; however, it can also increase the amount of taxes paid on personal income by the proprietor by positioning him or her in a higher income tax bracket. Also, a foreign proprietor that owns tangible property in the United States may have to pay estate taxes on these assets.

The proprietor owns the business by himself or herself, so he or she need not share control of the business with others. All contracts and business arrangements are between the proprietor and the third party.

Generally, no documents are necessary to form a sole proprietorship, although particular permits or licenses may be necessary to conduct certain types of business. If the proprietor decides to do business under a company name (trade name), instead of in his or her own name, the proprietor must register that name.

Sole Proprietorship is attractive to small investors because of its easy start up. However, foreign nationals may not be inclined to start a business in Louisiana as sole proprietorships for several reasons, one of which is that there is no separation of personal and business income. Foreign nationals who are proprietors will be required to file an individual federal U.S. income tax return on U.S. income, as well as a Louisiana tax return. In certain circumstances, personal income earned in the foreign national's home country may fall under federal and Louisiana tax jurisdictions. If a foreign national owning a sole proprietorship passes away, his estate may be subject to U.S. estate taxes on U.S. sourced tangible property.

Examples of Sole Proprietorships – Individuals offering personal services are the most common businesses organized as sole proprietorships. Medical doctors working in private practice and lawyers, both providing personal services to the general public, are both examples of businesses that often operate as sole proprietorships. In each case, the owner has unlimited liability and tax obligations for the sole proprietorship.



2) General Partnership – A business that is unincorporated and created by written or oral contract between two or more persons in order to collaborate at mutual risk for their profit or benefit.

In Louisiana, each partner is only bound for his or her share of the partnership debts. This is in contrast to most other jurisdictions, where partners are jointly and severally liable for debts or obligations incurred by the partnership.

Partnerships are not taxable entities, they benefit from “pass-through” taxation. Partnership income and expenses pass through to the partners and are reported on their individual tax returns; each partner is then taxed on his or her share of partnership net income. This is the case for both federal and state taxes. The partnership may be required to file an information return with the Louisiana Department of Revenue each year, showing each partner’s share of taxable income, losses, and credits. The partnership must file a federal partnership tax return. Also, partners are required to pay income tax on taxable income even if there is no cash Distributed from the partnership.

A partnership is a contract. The partners are free to contract among themselves how their partnership is to operate. Absent an agreement, Louisiana law determines how the partnership is to operate. Generally, all partners share directly in the control of the business operations of the partnership. Unless otherwise stipulated by the partnership agreement, all partners participate in management, each having one vote. Also, each partner can create contractual obligations that bind the partnership. Unless otherwise stipulated by contract, unanimity is required in order to amend the partnership agreement, to admit new partners or to allow a partner to withdraw.

The partnership may have a defined duration, stipulated by contract. Otherwise the partnership is automatically terminated when the number of partners is reduced to one. There are no restrictions as to who may be a partner, or as to what the partnership may own, but there must be at least two partners. The death of a partner may have a large impact on the structure and management of a partnership. There are also restrictions on the transfer of partnership interest to others and the partnership interest is not heritable.

A general partnership may be an undesirable business organization for a foreign company because of the partners’ unlimited liability and active participation in management. Also, each partner’s ability to bind the partnership as well as the restrictions placed on the transfer of the business interest may limit a passive investor’s interest in this type of business organization.

Examples of General Partnerships - Common types of general partnerships are consulting, accounting, and law firms. Partners bring intellectual and financial capital to the partnership and accept equal responsibility for each other’s actions.

3) Partnership in Commendam (“PC”) – This is Louisiana’s version of a limited partnership, consisting of one or more general partners who have broad powers, rights, and obligations in reference to the partnership, and one or more partners in commendam, or limited partners.

Partners in commendam are only responsible for the capital they have agreed to invest in the partnership; they do not assume any responsibility for debts incurred by the partnership outside of their original contractual investment. This differs from general partners, who are liable for their proportionate share in the partnership,

which may translate into a debt greater than the general partners’ original investment. Partners in a PC are relieved of liability for wrongful acts or misconduct of other partners or representatives of the PC. A PC partnership agreement must be filed in the public records. Thus, it is subject to public scrutiny. Additionally, it is necessary to have a general partner, who will have liability for the partnership debts. A PC does not offer protection to the general partner from claims of creditors, to the extent that a corporation or LLC does. It is always possible, of course, to form a corporation to act as general partner of the PC and have limited liability.

As a type of partnership, PCs, benefit from “pass-through” taxation and are taxed in the same manner as general partnerships.

General Partners manage the partnership in commendam the same as they would in general partnerships. Although there is a great amount of flexibility available to structure the partnership through the partnership contract, a partner in commendam, or a limited partner, does not have the authority of a general partner. A partner in commendam can not bind the partnership, participate in the management or administration of the partnership, or conduct any business with third parties on behalf of the partnership. General Partners control and determine the distribution of cash from the partnership in commendam. If the issue of distributions from the partnership in commendam is not addressed in the partnership agreement, the general partners will have full discretion.

The PC is automatically terminated if there is less than one general partner and one partner in commendam. There are several restrictions on the transfer of interests of the PC. The law on PC’s is more developed than that of LLCs.

If foreign investors plan to conduct business in a jurisdiction other than Louisiana, they may face additional requirements, as limited partnership statutes vary from state to state.

Examples of Partnerships in Commendam - Where a foreign investor wishes to take a purely passive role as to a U.S. investment, with the active management being conducted by a U.S. entity, a partnership in commendam may suit that situation. The partnership in commendam agreement can be quite extensive and address the details of the investment by the foreign investor.

4) Limited Liability Company (LLC) – This is an unincorporated, independently existing entity owned by one or more members (owners). It has the tax advantage of the pass-through taxation structure of a partnership and the advantage of limited liability protection for its members, like a corporation.

Members of an LLC are protected from personal liability for the LLC’s debts and obligations, like a corporation. LLC members risk only the amount that he or she invested in the LLC.

LLCs are taxed as pass-through entities, like partnerships. Pass-through taxation means that there is only one level of taxation, unlike corporations. With corporations there is an income tax at the corporate level and an income tax at the shareholder level when corporate income is distributed. Regarding Louisiana income taxation, an LLC is taxed based on its federal income tax structure. For all other taxes, an LLC is taxed as a partnership, unless it elects to be taxed as a corporation under the check-the-box rule. This rule allows an LLC to elect how it wishes to be taxed for federal tax purposes. If an LLC is classified as a partnership for federal income tax purposes, the LLC is not subject to the Louisiana state income tax. A single member LLC will not be treated as an



independent entity separate from its owner for federal income tax purposes and will be reported on its owner's federal tax return as a disregarded entity. In this circumstance, the single-member LLC will not be taxed as a partnership for Louisiana income tax purposes either. Unlike a corporation, LLCs do not have to pay Louisiana franchise tax.

An LLC may be either managed by its members (member-managed LLC) or by managers (manager-managed LLC) which are appointed to manage. The managers need not be members of the LLC and members can appoint and remove managers. Thus, great flexibility exists when it comes to creating the management structure for an LLC. The owners of the LLC, the members, may choose at their option whether to structure the LLC as member-managed or manager-managed.

Generally, members each have a vote in management decisions unless otherwise noted in the LLC agreement. Each member, and manager if any, can create contractual obligations that bind the LLC. Members are free to structure all aspects of the LLC's operations and management structure, including the LLC's duration, as they see fit and as outlined in the LLC's operating agreement.

In Louisiana, an LLC cannot be formed for the purpose of insurance underwriting of any kind. Interests in an LLC are transferable with relatively few restrictions. Restrictions can be imposed on the transfer of units in the LLC documents.

LLCs are an attractive option for foreign companies because they offer the limited liability protection of corporations and the pass-through taxation structure of partnerships. It allows the foreign company or foreign investor to take an active role in the management of the LLC and yet offer the protection of limited liability. This can not be achieved through a partnership in commendam or a general partnership. An LLC enjoys its own legal capacity.

Examples of LLCs – LLCs have become the preferred choice of business organizations for smaller businesses. Many businesses are formed as LLCs all the way from professional service firms to retail operations.

5) Corporation – This is a separate and distinct entity, independent from its shareholders which provides limited liability and is considered a separate and distinct taxpayer. Corporations are recognized the world over in one form or another. Thus, a foreign investor is generally familiar with the concept of a corporation.

Corporations offer limited liability for all stockholders. Corporations incur "double taxation," meaning that both corporate profits and

stockholder dividends are taxed. Corporations must also pay the Louisiana franchise tax and corporate income tax.

The board of directors controls the management of the corporation. There are few restrictions on who may own stock in a corporation and on what the corporation may own. Interest in a corporation is heritable and freely transferable but subject to securities law. Once incorporated, a corporation is a juridical person. Juridical personality ensures that the corporation's existence is perpetual; the death of stockholders or officials within the company does not alter the corporation's structure or cause the corporation to end.

To become a corporation, incorporators must draw up articles of incorporation detailing its proposed structure, which must be then filed with the Secretary of State. The corporation must have an office based in Louisiana in order to become incorporated in the state. In Louisiana, a corporation may be formed for any lawful business purpose, except banking, insurance underwriting, operating homesteads or building and loan associations. Corporations are recognized as legitimate business entities throughout the world. As with partnerships, corporations wishing to do business in jurisdictions other than Louisiana must pass requirements in every jurisdiction in which they wish to do business. Also, certain corporate forms require shareholders to be U.S. residents.

Examples of Corporations - Corporations have been used and are being used in a wide variety of business ventures. An advantage of operating under the corporate form is the abundance of legal precedent in this area, due to corporations having been around for many years and having withstood the test of time. Any business can operate in corporate form, whether the business is large or small.

6) Joint Venture – A combination of two or more persons who would jointly seek profit through a specific venture without any partnership or corporate designation.

Foreign companies are able to form joint ventures with domestic companies already present in desirable markets. Joint ventures are formed generally by contract between the parties. The contract creating the joint venture will speak to issues such as how the two companies will share profits, how they will share losses, management responsibilities, and a term for the venture, if applicable. A joint venture is generally formed for a single transaction, as opposed to a partnership, which is formed for general business of a specific kind.





LOUISIANA BUSINESS ORGANIZATIONS TABLE

	PARTNERSHIP	CORPORATION	LLC
FORMATION			
Formalities	None required	Must file Articles of Incorporation and Initial report with Sec. of State. Articles must contain (i) name, (ii) purpose, (iii) authorized shares, (iv) par value, (v) if more than one class – details of each, (vi) name and address of incorporator.	Must file Articles of Organization and Initial Report with Secretary of State. Articles must contain name and purposes.
Contributions	Must have economic value. No other restrictions.	Only cash, property, and already rendered services are valid consideration. Promises of future services/capital are invalid.	Any type of consideration is valid.
MANAGEMENT			
By Owners?	Yes, unless agreed to otherwise by the partners.	No, management is vested in a Board of directors.	Yes, unless designated as manager–managed.
Mandatory of Entity	Each partner can bind the p/s for all matters in ordinary course of business.	No, shareholders may not bind the corp, nor may individual directors.	Either members or managers, as applicable, may bind the LLC for matters in the ordinary course.
Fiduciary Duties	Yes, to p/s and other partners.	Yes, board members owe duties of care and loyalty. Standard of review is gross negligence.	Yes, may be contracted around to a significant degree.
Meetings	Majority vote of partners needed, except a few important issues, which require unanimity.	Shareholder meetings must be held annually, and any shareholder may call a meeting if 18 months pass. Shareholders may give proxies. Majority votes usually needed, some important matters require 2/3. Director meetings are held as called by board. No proxies unless allowed in articles. Majority vote needed.	Each member has one vote, and a majority is generally needed. Certain important matters must be approved by a vote of members, even if LLC is manager–managed.
Inspection Rights	Can consult records – no limitations.	5% shareholder may inspect books at reasonable time unless competitor.	Any member may inspect upon reasonable request during business hours.
Indemnification	No statutory right to indemnification for successfully defending action.	Corp must indemnify director, officer, employee or agent who successfully defends action.	No statutory right to indemnification.



	PARTNERSHIP	CORPORATION	LLC
FINANCES			
Personal Liability	Yes, secondarily liable, after partnership, for virile share of debts.	Ordinarily, none for shareholders.	Ordinarily, none for members or managers.
Veil Piercing	N/A	Shareholders may only be personally liable by "veil piercing." Main grounds are (i) ignore formalities, (ii) commingle assets, (iii) undercapitalized.	Veil piercing is allowed, along lines of corp. Following formalities should be downplayed.
Profit Sharing	Equally among partners, unless agree to contrary.	Divided by percentage ownership. Dividends may only be declared out of surplus, and may not make corp. insolvent.	Divided equally among members, unless provided otherwise.
Addition of Members	Unanimous vote.	Shareholders must authorize shares in articles. Once authorized, board may approve specific sales.	Membership interests may be assigned, but assignee does not become member unless unanimous vote.
TERMINATION			
Removal	A partner may be removed for just cause by a majority vote of partners.	Shareholders may not be removed. Directors may be removed by shareholders, and board may declare an office vacant in limited circumstances.	No provision for expulsion of members.
Withdrawal	A partner may withdraw by giving notice in good faith at a time not unfavorable to p/s. If p/s is for a term, partners may only withdraw if another partner fails to perform a material obligation.	Shareholders may sell shares unless specifically prohibited. Directors may resign.	Ok upon 30 days written notice or as otherwise agreed. If LLC is constituted for a term, only with consent of other members or upon failure of another to perform a material obligation.
Liquidation and Dissolution	P/S terminates by (i) reduction of membership to one person, (ii) attaining or impossibility of object, (iii) expiration of term, (iv) unanimous consent, (v) judgment of termination, (vi) bankruptcy, (vii) acc. to p/s agreement.	There are seven grounds for involuntary dissolution, and seven for appointment of a receiver to take over a corp's property.	Upon (i) event described in agreement, (ii) consent of majority of members, (iii) judicial decree of dissolution.

For more information on business organizations available in Louisiana, please visit:
<http://www.sos.la.gov/BusinessServices/StartABusiness/Pages/default.aspx>

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LOUISIANA LAWS TO CONSIDER WHEN STARTING A BUSINESS

1) Employment Laws – Louisiana is an employment-at-will state. Generally, employers may take any action against any employee including hiring and firing employees at any time and for any reason as long as that reason is not against the law. An employer must follow the rules of the Equal Employment Commission and may not discriminate against any employee based on race, religion, sex, age, color, national origin, or disability. Nor may an employer take an adverse employment action against an employee for military service, political opinions, or having filed a workers' compensation claim. Louisiana law also prohibits discrimination on the basis of pregnancy or childbirth, sickle cell trait, handicap, tobacco use, and other protected characteristics. Many local governments in Louisiana may take things further and adopt more protective laws regarding employee rights within their jurisdiction. One example is Orleans Parish, which prohibits discrimination on the basis of sexual orientation.

Louisiana has a whistleblower or "reprisal law", which prohibits employers from taking reprisal against any employee who advises the employer that it is in violation of a law and the employee either discloses, threatens to disclose, or testifies about the violation of law, or the employee objects to or refuses to participate in an employment act in violation of law.

Louisiana is also a right-to-work state. Employees are not required and may not be forced to join labor unions or other organizations as a condition of employment. Louisiana also regulates the use of out of state workers to compensate for striking employees. Louisiana does not have a minimum wage, however it should be noted that the \$7.25 Federal minimum wage will apply.

Federal Employment Laws are enforced in Louisiana. However, Louisiana may enact laws to protect its employees over and above the constraints of federal laws. For example, a Louisiana law provides for six weeks of protected leave to an employee for pregnancy, childbirth, or a related medical condition, and up to four months of leave when there is a complication.

Like most federal employment laws, Louisiana employment laws apply to employers who meet a certain set of qualifications. Usually a company minimum of 15-25 employees is required depending upon the law. Some laws in Louisiana, however, apply to all employers, regardless of the number of employees. Any employer seeking to do business in Louisiana is encouraged

to consult a Louisiana labor and employment attorney to insure compliance with these laws, as well as to insure that its policies and procedures do not conflict with Louisiana laws.

2) Worker's Compensation – All employers operating in Louisiana are required to provide workers' compensation coverage to their employees. This is true even in cases where the employee only works on temporary assignments, the employer does not withhold federal or state taxes, and the employer pays the employee in cash. The workers' compensation policy must provide coverage for all compensable incidents under the workers' compensation statute. If a particular coverage is not limited in the statute, then limitation is not permitted in the policy. Employers are cautioned about classifying employees as "independent contractors" without first consulting an attorney. Misclassification of employees as independent contractors and failure to provide workers' compensation and withhold the appropriate taxes can have serious legal consequences.

Employees are entitled to workers' compensation coverage from their first day of work. The workers' compensation law prohibits an employer from withholding workers' compensation premiums from an employee's pay. The penalty for operating without proper workers' compensation coverage is \$250 per employee for a first offense and \$500 per employee for a second offense.

An employer can be responsible for the medical expenses and weekly benefit payments of any employee who is injured in the performance of his or her job and who is consequently unable to continue working, subject to certain exceptions. An employer may pay such expenses out-of-pocket or may obtain commercial workers' compensation insurance for employees. For information and forms, contact the Louisiana Department of Labor, Office of Workers' Compensation Administration.

3) Hiring of Foreign Nationals – Subject to some rules and guidelines set by the Department of Labor and the United States Citizenship and Immigration Services, a company may be able to hire foreign nationals. All Louisiana employers must confirm the citizenship or work authorization status of their employees.

For more information on Louisiana labor laws and issues, visit:
<http://www.laworks.net/LaborLawInfo.asp> or
<http://www.dol.gov/dol/topic/hiring/foreign.htm>



AVAILABLE FEDERAL TAX INCENTIVES

The following is a list of federal tax incentives that are available in Louisiana:

1) Commercial Revitalization Deduction – Special tax treatment is provided for qualified revitalization expenditures chargeable to a capital account for a qualified revitalization building. One of two options can be chosen. Under the first option, one-half (1/2) of these qualified revitalization expenditures are allowable as a deduction for the taxable year in which the building is placed in service. Under the second option, a deduction for all qualified revitalization expenditures is allowable ratably over the one hundred and twenty (120) month period beginning with the month in which the qualified revitalization building is placed in service.

There are two (2) types of qualified revitalization buildings. The first type is any building and its structural component with respect to which two (2) conditions are satisfied. First, the building must be placed in service by the taxpayer in a renewal community. Second, the original use of the building must begin with the taxpayer. The second type of qualified revitalization building is any building and its structural components with respect to which three (3) conditions are satisfied. First, the building must not be of the first type. Second, the building must be substantially rehabilitated by the taxpayer. Third, the building must be placed in service by the taxpayer in a renewal community after the rehabilitation.

2) EB-5 Visa Alien Investor Program – Allows alien investors to obtain a green card through entrepreneurship. The general minimum investment is \$1,000,000; however New Orleans has been designated a Regional Center by USCIS, therefore alien investors need only invest \$500,000 in a local business and create 10 indirect jobs to earn a permanent resident visa. This process is also called immigration through investment.

For more information, please visit:
www.uscis.gov

3) Tax Credit for Wages in Empowerment Zone and Renewal Communities – A tax credit is allowed for certain wages paid in connection with business operations in empowerment zones and in renewal communities. The employer deduction otherwise allowed for wages paid for a taxable year is reduced by the amount of the employment tax credit claimed for that taxable year. The credit equals a percentage multiplied by the qualified wages paid or incurred within the taxable year. For empowerment zones, the applicable percentage is twenty (20%) percent. For renewal communities that are treated as empowerment zones, the applicable percentage is fifteen (15%) percent.

For more information please visit:
<http://www.hud.gov/offices/cpd/economicdevelopment/programs/rc/tour/la/neworleans/>
<http://www.renewallouisiana.com>

4) Renewal Community Capital Gain Exclusion – Qualified capital gain from the sale or exchange of a qualified community asset held for more than five (5) years is excluded from gross income. This applies to the sale of corporate stock and pass through tax entity. There are conditions and time periods as to when this credit is available. A qualified asset is one acquired in a renewal community between 2002 and January 1, 2010 and then held for a minimum of 5 years.

5) Enterprise Zone Qualified Business Entity Stock Gain Exclusion – Sixty (60%) percent of gain from the sale or exchange of enterprise zone qualified business entity stock is excluded from gross income. There are conditions and time periods that must be complied with. Additionally, tax exempt bonds can be issued under the enterprise zone tax exempt financing rule. This will allow the entity to obtain lower financing costs for the project.

The majority of incentives created under the Gulf Opportunity Zone Act of 2005 expired 12/31/07. The Small Business and Work Opportunity Act of 2007 extended some Incentives through 12/31/09.

6) Foreign Trade Zones – Foreign companies can import materials and components into the US without paying duties until finished goods enter the US market. Goods shipped out of the country from the foreign Trade Zone exit duty free.

For more information visit:
http://www.portno.com/pno_pages/cargo_ftz.htm

7) Hiring Incentives to Restore Employment (HIRE) Act. – Enacted March 18, 2010, two new tax benefits are available to employers who hire certain previously unemployed workers (“qualified employees”). The first, referred to as the payroll tax exemption, provides employers with an exemption from the employer’s 6.2 percent share of social security tax on wages paid to qualifying employees, effective for wages paid from March 19, 2010 through December 31, 2010. In addition, for each qualified employee retained for at least 52 consecutive weeks, businesses will also be eligible for a general business tax credit, referred to as the new hire retention credit, of 6.2 percent of wages paid to the qualified employee over the 52 week period, up to a maximum credit of \$1,000.

For More information visit:
<http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/HIRE-Act-Questions-and-Answers-for-Employers>

8) Low Income Housing Tax Credit Program – A ten year Federal tax credit for owners of newly constructed or renovated rental housing who set aside a number of units for low-income residents. Each state designates an agency (usually the housing finance agency) to administer the tax credit program. For more information, please visit:

<http://www.hud.gov/offices/fheo/lihtcmou.cfm>

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9) New Markets Tax Credit – The New Markets Tax Credit (NMTC) Program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.

For more information, please visit:
http://www.cdfifund.gov/what_we_do/programs_id.asp?programID=5

10) Rehabilitation Tax Credit – Applies to costs incurred for the rehabilitation of historic buildings and structures. Rehabilitation includes renovations, restorations, and reconstructions. It does not include enlargements or new constructions. For pre-1936 buildings, 10% of rehabilitation costs can be taken as a tax credit. For certified historic structures, 20% of rehabilitation costs can be taken as a tax credit. If rehabilitation work is done before January 1, 2009, the GO Zone increases the percentages of this tax credit to 13% for pre-1936 buildings and 26% for certified historic structures.

For more information, please visit:
<http://www.irs.gov/pub/irs-mssp/rehab.pdf>

11) Renewal Community Wage Tax Credit – Permits qualified employers a federal income tax credit of 15% of each qualified employee's first \$10,000 of annual salary. The amount is capped at \$1,500 dollars per qualified employee. A qualified employee is one that lives and works within a federally designated "Renewal Community" by the Secretary of Housing and Urban Development (HUD). The credit is available for all employees, full and part time, and is not limited to new hires.

For more information, please visit:
<http://www.irs.gov/pub/irs-pdf/f8844.pdf>

12) Small Business Health Care Tax Credit – Small Business Health Care Tax Credit - Many small businesses and tax-exempt organizations that provide health insurance coverage to their employees now qualify for a special tax credit, according to the Internal Revenue Service. The maximum credit is 35 percent of premiums paid in 2010 by eligible small business employers and 25 percent of premiums paid by eligible employers that are tax-exempt organizations. In 2014, this maximum credit increases to 50 percent of premiums paid by eligible small business employers and 35 percent of premiums paid by eligible employers that are tax-exempt organizations.

The credit is specifically targeted to help small businesses and tax-exempt organizations that primarily employ low and moderate income workers. It is generally available to employers that have fewer than 25 full-time equivalent (FTE) employees paying wages averaging less than \$50,000 per employee per year. Because the eligibility formula is based in part on the number of FTEs, not the number of employees, many businesses will qualify even if they employ more than 25 individual workers.

For more information visit:
<http://www.irs.gov/uac/Small-Business-Health-Care-Tax-Credit-for-Small-Employers>

13) Work Opportunity Tax Credit – A federal Tax Credit that can reduce employer's federal tax liability when they hire job seekers who have traditionally faced significant barriers to employment. The WOTC program extended through December 31, 2013, and it is possible that Congress will retroactively reauthorize the program. The employer can reduce their taxes up to \$2,400 or \$4,800 during the first year of employment or up to \$9,000 over two years, depending on the qualified applicant. The consolidated WOTC for hiring target group members can be as much as:

\$2,400 for each new adult hire;
\$1,200 for each new summer youth hire;
\$4,800 for a Disabled Veteran, a subgroup under Qualified Veteran;
and \$9,000 for each new long-term family assistance recipient hired over a two-year period

For more information please visit:
<http://www.doleta.gov/business/Incentives/opptax/>



STATE OF LOUISIANA BUSINESS AND TAX INCENTIVES

The State of Louisiana, post-Katrina, has implemented some of the most appealing incentives, for both small and large businesses, in the United States. The following is a list of Louisiana State economic and tax incentives.

1) Corporate Jobs Tax Credit Program – The Corporate Jobs Tax Credit Program provides credits of up to \$225 per new worker. The credits can be used to satisfy state corporate income taxes and are an alternative option to the benefits of the state’s Industrial Property Tax Exemption program and Enterprise Zone program benefits.



2) Early Stage Angel Investment Incentives – Provides accredited Louisiana investors with an incentive for making early-stage investments in Louisiana-based startups. It allows the investor to receive a 50% tax credit divided into portions of 10% over five years on his or her income or corporation franchise tax liability owed to the state for early-stage investments in Louisiana startups.

3) Louisiana Community Development Financial Institution (LCDFI) – Provides qualifying individual/business a tax credit for qualifying individuals/businesses which invest in a Certified LCDFI. The tax credit is equal 75% of the investment eligible for an allocation of tax credits, LCDFIs must first become “certified” by the Louisiana Office of Financial Institutions (OFI). The required application items as well as the applicable statute and rule are available on OFI’s website

For more information, please visit:
<http://www.ofi.louisiana.gov/LCDFI.htm>

4) Louisiana’s Economic Development Award Program – Provides funds to finance publicly owned infrastructure for industrial or business development projects. Eligible project costs may include, but not be limited to, engineering expenses, site acquisition and preparation, construction expenses, building

materials, and capital equipment. The portion of total project costs financed by the award may not exceed 50% of all project cost. The award amount shall not exceed 25% of the total funds available to the program this fiscal year. Eligible applicants are public or quasi-public state agency, along with a private company who will be the primary recipient, and the project must create at least 10 permanent new jobs in the State. The grant of this award is subject to the discretion of the Secretary to the Louisiana Economic development

For more information, please visit:
<http://www.louisianaeconomicdevelopment.com/opportunities/incentives---programs/edap.aspx>

5) Economic Development Districts – This is an economic development district established by a local governmental subdivision pursuant to Louisiana Revised Statute 33:9038.32. By creating an economic development district, a local governmental subdivision may issue revenue bonds payable solely from an irrevocable pledge and dedication of up to the full amount of sales tax increments, in an amount to be determined by the local governmental subdivision, to finance or refinance an economic development project or any part thereof or to pay all or a portion of the costs of an economic development project as specified in Louisiana Revised Statute 33:9035.

For more information, please see: Louisiana Revised Statutes §§ 33:9022 (<http://www.legis.la.gov/Legis/Law.aspx?d=91610>), 33:9033 (<http://www.legis.la.gov/Legis/Law.aspx?d=91624>) and 33:9033.3 (<http://www.legis.la.gov/Legis/Law.aspx?d=91627>).

6) The Enterprise Zone (EZ) Program – This incentive program provides Louisiana Income and Franchise tax credits to a business hiring a minimum number of new employees. 35% of these new jobs must be filled from one of four targeted groups. A business does not have to invest money as the creation of additional jobs is sufficient to meet the requirements. Because of the jobs creation, sales tax rebates may be available. Enterprise Zones are areas with high unemployment, low income, or a high percentage of residents receiving some form of public assistance. Businesses that expand or locate in a designated enterprise zone are eligible for a state rebate of 4% and a local rebate (depending on the local rate) for sales taxes paid on equipment, machinery and construction materials. A company must hire at least 5 new employees or increase current workforce by 10%. The incentive provides a one-time \$2,500 credit per new job. Rebates 4% sales/use tax on materials, machinery, furniture or equipment. OR 1.5% Refundable Investment Tax Credit can be earned.

For more information, please visit:
<http://www.nola.gov/economic-development/business-services/tax-incentive-programs/enterprise-zone/>

7) Entertainment Tax Credits – Louisiana’s entertainment industry has had significant economic impact on the state since the state Legislature first passed tax incentives in 2002. The success of this industry has gained nationwide interest and attracted investors to pursue entertainment infrastructure projects in



several Louisiana locations. Now, motion pictures, music/sound recording, theater, live music and digital interactive are expanding Louisiana's entertainment legacy of jazz and the arts to increase positive economic growth for the state. Motion picture, sound recording, live performance and digital interactive enterprises in Louisiana enjoy a unique tax incentive program:

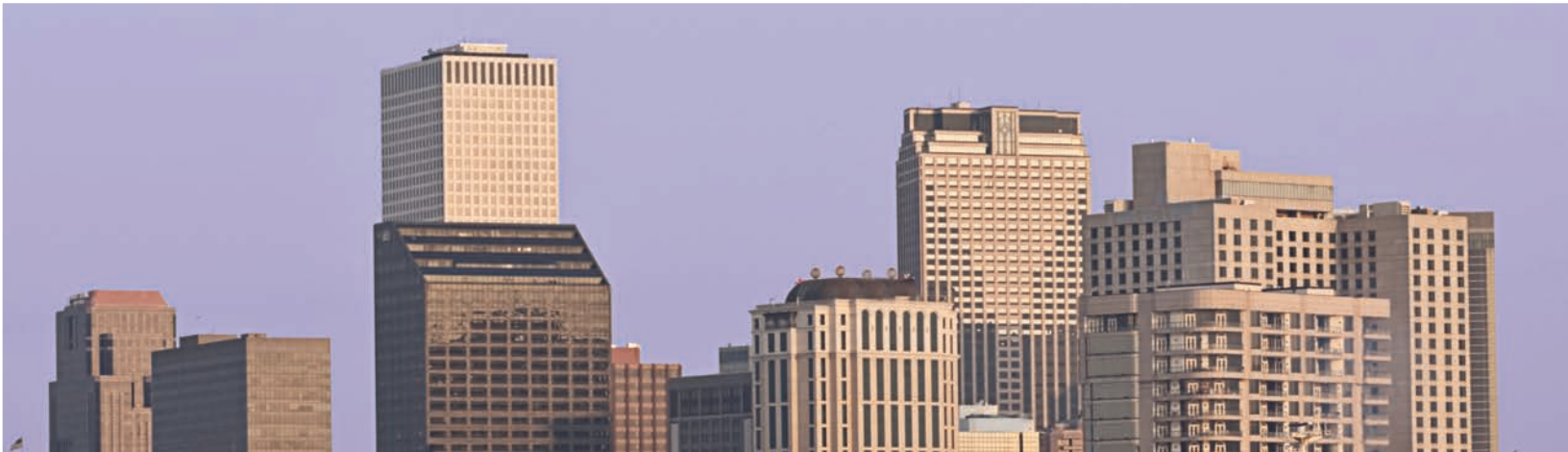
Digital Interactive Tax Credit

Interactive digital media, such as videogame developers, earn up to a 20% tax credit against expenditures in Louisiana. Allows animation, gaming, and digital effects developers to earn a 20% tax credit against expenditures for production and long-term infrastructure expenses within Louisiana and

production and an additional 5% (formerly 10%) on Louisiana labor, plus a 40% credit for infrastructure development.

Music/Sound Recording Investor Credit

Extends the expiration date of the sound recording credits from January 1, 2010 to January 1, 2015, and changes how the sound recording credits are claimed. The Louisiana Department of Economic Development must submit a tax credit certification letter to the Department of Revenue on behalf of the investor who earned the sound recording tax credits. The credits will be paid by the Department of Revenue directly to the taxpayer without the taxpayer having to claim the credit on a tax return. In addition, the Act establishes



to offset the Louisiana corporation and personal income and corporation franchise taxes. In addition, a single credit of 25% of qualified expenditures is available for state-certified production applications submitted on or after July 1, 2009, plus an additional 10% credit for Louisiana resident payroll expenditures.

Louisiana Film Tax Incentive Program

Enacted to attract film production to Louisiana, the program provides a flat 30% state tax credit based upon investments of \$300,000 and up. Productions shot in Louisiana can take a 5% labor tax credit on payroll for Louisiana residents, in addition to a 15% infrastructure tax credit on state of the art facilities.

For more information, please visit:

<http://louisianaentertainment.gov/index.php/film/why-shoot-here/incentives/>

Film and Video Sales Tax Exemption

With advance notice, this tax credit allows exclusion of state sales taxes on items purchased for film projects investing more than \$250,000 in the state of Louisiana during a twelve-month period

Live Performance Tax Credit

Producers and promoters of live entertainment earn up to a 25% tax credit on production and infrastructure expenditures in Louisiana.

Motion Picture Industry Development Tax Credit (Act 478)

A transferable credit of 30% (formerly 25%) for motion picture

that the percentage of credit allowed will be 25 percent of the base investment made in excess of \$15,000. Effective August 15, 2009.

Non-profit Community Theater Tax Credit (Act 448)

Provides a 10% tax credit for non-profit community theater state-certified musical or theatrical productions. The credit applies to productions with investments of more than \$25,000 and less than \$300,000. The credits are available for the 2009 and 2010 calendar years and apply to qualified productions performed in 2008. The credits are capped at \$250,000 a year.

Louisiana Theater Tax Incentive Program

"Broadway South" was enacted to attract productions of: theater, opera, ballet, jazz, comedy revues and variety entertainment. The program offers investors a 25% state tax credit on construction costs (up to \$10 million dollar credit per project), 25% state tax credit on performance costs, and 100% state tax credit on transportation costs (with no limit per project). The program also allows for a 10% labor tax credit on payroll for Louisiana residents.

For more information, please visit:

<http://www.broadwaysouth.com/home.html>

8) Governor's Rapid Response Fund – Awards from this fund are dispensed at the discretion of the Governor. This is a permanent \$10 million annual fund for making major awards to businesses with economic development projects that can potentially create and retain jobs in Louisiana. The fund provides \$5,000 – \$25,000 loans for up to 180 days at zero interest to businesses with more than two, but less than 100, employees.



9) State Certified Green Projects (Act 520) – Creates a tax credit for expenditures or investments by a company that are expended on construction, repair or renovation of a state certified green project. No more than \$5 million in credits may be granted each year. The credits are granted on a first come first served basis, and are allowed as follows: investments between \$100,000 to \$300,000 dollars – entitled to a 10 percent credit; \$300,000 to \$1 million – 20 percent credit; over \$1 million – 25 percent credit. Applications for certification are to be submitted to the Louisiana Department of Economic Development. The provisions of the Act shall become effective if, and when the Department of Natural Resources receives a letter of award from the United States Department of Energy evidencing the obligation of funding in the amount of at least \$5 million per year, for a minimum of three years. Effective August 15, 2009.

For more information, please visit:
<http://legis.state.la.us/lss/newWin.asp?doc=672162>

10) Headquarter Growth Act – The Louisiana Headquarters and Growth Act was passed in July of 2005 and was an attempt to encourage businesses to stay in Louisiana and businesses to come to Louisiana. The Act provides exemptions for dividend and interest income, a shift on the taxation of gains from allocable income to proportional income and single weighted sales factor proportional for certain types of businesses. Prior to the Act interest income was classified as allocable income, which meant that for corporations with a commercial domicile in Louisiana usually one-hundred (100%) percent of the interest income would be subject to tax in Louisiana. The Act effectively exempts this interest income from corporate tax in Louisiana by providing a deduction for any interest income that is included in federal gross income. Prior to the Act dividend income was classified as allocable income. Generally this was through the commercial domicile of the corporation receiving the dividends. The Act exempts dividend income from taxation completely. Prior to the Act allocable income for a corporation included profits or losses from the sale or exchange of property if the sale or exchange is not made in the regular course of business. After the Act, this gain or loss from the sale or exchange of property, whether or not made in the regular course of business and regardless of the character of the property sold is classified as apportionable income and attributable to Louisiana using the appropriate apportionment percentage. The Act also changes the apportionment percentage for any taxpayer's who net proportional income is derived primarily from the business of manufacturing or merchandising.

11) The Import Export Cargo Credit (Act 474) – Provides a tax credit against individual income tax, corporation income tax and corporation franchise tax. Only taxpayers receiving certification from the secretary of LED for the taxable year or years for the amount certified by the commissioner of administration that there will be sufficient revenue received by the state to offset the effect to the state of the tax credits, and approved by the Joint Legislative Committee on Budget and the state bond commission are eligible to take the credit. Eligible taxpayers include those international business entities which provide to LED a verified statement of cargo volume data in Louisiana for the calendar year prior to the year of the application for the credit. The credit amounts to 5 dollars times the amount of qualified cargo certified by LED.

12) Louisiana's Industrial Tax Exemption Program – Available exclusively to manufacturers, it exempts new manufacturing facilities and expansions from ad valorem taxes relating to land

improvements, buildings, machinery, equipment, and any other property that is part of the manufacturing process. The taxes may be exempted for up to ten years.

13) Louisiana Industry Assistance Program – The Industry Assistance Program provides a tax exemption when manufacturers and their contractors give preference and priority to Louisiana manufacturers or Louisiana suppliers, engineers, contractors and labor, except where not reasonably possible due to added expense or substantial inconvenience. The Industry Assistance program is available to existing businesses with operating facilities in Louisiana. The company must be able to demonstrate that with the tax exemption, as well as its current and projected operating business plan, it will continue to maintain current employment levels and commit to significant investment, allowing the company to grow and prosper in Louisiana. This program is administered by the LED Board of Commerce & Industry.

14) Inventory Tax Credit Programs – A refundable credit is allowed against income/corporate tax for 100% of the ad valorem taxes paid to political subdivisions in Louisiana on inventory held by manufacturers, distributors, and retailers. A copy of the inventory tax assessment and a copy of the cancelled check in payment of the tax must be attached to the return.

For more information, please consult:
Louisiana Revised Statute, Section 47:6006

15) The Investor Tax Credit (Act 474) – Louisiana's Angel Investor Tax Credit (AITC) encourages accredited investors to invest in early stage, small wealth-creating Louisiana businesses that seek startup and expansion capital. It provides a 35% tax credit on investments by accredited investors who invest in businesses certified by Louisiana Economic Development as Louisiana Entrepreneurial Businesses (LEB). It provides a credit against any state income tax and corporation franchise tax equal to 5 percent per year of the capital cost of a qualifying port project; however, total credits granted cannot exceed the total cost of the project. Any unused credit may be carried forward 10 years. The Investor Tax Credit expires January 1, 2015

For more information on Eligibility please visit:
<http://www.louisianaeconomicdevelopment.com/page/angel-investor-tax-credit>

16) Low Income Housing Tax Credit – The Louisiana Housing Finance Agency oversees the credits and the allocation of the credits consistent with Louisiana's consolidated plan. Federal law requires that the allocation plan give priority to projects that (a) serve the lowest income families and (b) are structured to remain affordable for the longest period of time.

For more information, please visit:
<http://www.lhfa.state.la.us/>

17) Modernization Tax Credit (Act 447) – Creates a refundable credit against any income tax or corporation franchise tax at the rate of 5 percent of the qualified expenditures incurred by certain employers for modernization. The amount of the credit must be approved by the Louisiana Department of Economic Development. "Modernization" means capitalized investment by an employer in technology machinery, building and/or equipment that meets one of the following provisions:



(a) An increase in the increase of maximum capacity or efficiency of the facility of greater than 10 percent. The modernization must result in the facility adopting "best practices" technology for its industry and the company shall establish that without the investment that the facility would be a high risk for closure in the foreseeable future. Modernization does not include the replacing of existing technology with the same or similar technology.

(b) An approved investment from a company with multi-state operations with an established competitive capital project program. Effective August 15, 2009

For more information visit:

<http://gnoinc.org/about/modernization-tax-credit/>

18) Net Capital Gains Deduction (Act 457) – Effective for tax periods starting on or after January 1, 2010, provides an individual income tax deduction for the net capital gains resulting from the sale or exchange of an equity interest in the assets of a business domiciled in Louisiana. According to the Department, net capital gains from this type of activity are normally recognized as taxable income for federal income tax purposes.

The Department advises taxpayers who claim this Louisiana deduction to retain their federal income tax form Schedule D on which the gain is reported and all supporting documentation, including any Schedule K-1(s), for a minimum of three years.

19) New Markets Credit (Act 463) – To encourage and attract private sector capital investment to areas related to the health, welfare, and safety of the people of Louisiana. Requires the Louisiana Department of Economic Development to certify an industry as a target industry within 30 days of receipt of a certification request. For qualified equity investments issued on or after April 1, 2008, and before December 1, 2009, the maximum amount of qualified low-income community investments that may be issued by a single business, on an aggregate basis with all of its affiliates, and be included in the calculation of the fraction described in R.S. 47:6016(B)(1)(b), whether to one or more issuers of qualified equity investments, shall not exceed \$5 million. On December 1, 2009, access is allowed to \$12.5 million of credit allocation authority. The Department is required to respond to all applications for credit within 60 days unless there is a delay caused by the taxpayer. Effective July 8, 2009.

for more information visit:

<http://www.legis.state.la.us/lss/lss.asp?doc=102373>

20) Quality Jobs Program – This program allows a business in certain designated industries (e.g., biotechnology, advanced materials and manufacturing) that creates a minimum of full-time new jobs and offers a basic health plan to receive certain tax benefits. Provides 5% or 6% cash rebate of annual gross payroll for new direct jobs for up to 10 years. Allows for 4% sales/use tax rebate on capital expenditures; OR 1.5% investment tax credit for qualified expenses.

21) Research and Development Tax Credit – Provides tax credits for R&D activities from 8% to 20% to companies claiming federal income tax credit for research activities. These companies will now be able to claim against state income and corporation franchise taxes up to 8% of the state's apportioned share of increased R&D expenses or 25% of its apportioned share of federal research credit claimed. Act 477 provides for a research and development tax credit for qualifying taxpayers who increase

their research activities in Louisiana for taxable years beginning on or after January 1, 2003 until December 31, 2013. Act 477 in addition to extending the expiration date, makes it a refundable credit instead of a nonrefundable, transferable credit, and changes the number of Louisiana employees necessary to qualify for the different percentages of credit allowed under the statute.

22) Restoration Tax Abatement (RTA) – An economic development incentive created for use by municipalities and local governments to encourage the expansion, restoration, improvement, and development of existing commercial structures and owner-occupied residences in Downtown Development Districts, Economic Development Districts, or Historic Districts. The RTA program does not exempt the acquisition cost of the structure. In addition, only equipment that becomes an integral part of that structure can qualify for this exemption. Property owners may have ad valorem taxes abated for a five-year period on the improvements made to an existing property during which time assessments and property taxes would remain at their pre-improvement value.

For more information visit:

<http://www.opportunitylouisiana.com/page/restoration-tax-abatement>

23) Historic Structure Rehabilitation Credit (Act 444) – Amends the credit for rehabilitation of historic structures so that the credit can be transferred an unlimited number of times. The Act provides that the credits can be transferred to one or more individuals or entities, including, but not limited to, non corporate entities such as partnerships and Limited Liability Companies. Effective July 8, 2009.

24) Alternative Fuel Credit (Act 469) – Repeals La. 47:38 and La. 47:287.757 relative to tax credits for conversion of vehicles to alternative fuel usage, and provides an incentive to persons or corporations to invest in qualified clean burning motor vehicle fuel property. This refundable tax credit is equal to 50 percent of the cost of the qualified clean burning motor vehicle fuel property and is allowed for the taxable period in which the property is purchased and installed. If the taxpayer is unable to or elects not to determine the exact cost attributable to the property, the taxpayer may claim a credit equal to 10 percent of the cost of the motor vehicle or \$3,000, whichever is less, provided the motor vehicle is registered in Louisiana. Effective July 9, 2009 for amounts paid by the taxpayer on or after January 1, 2009.

For More information visit:

<http://www.revenue.louisiana.gov/forms/lawspolicies/RIB%2012-026.pdf>

25) Wind or Solar Energy Systems Credit (Act 467) – Extends the eligibility for the corporation and personal income tax credit for the cost and installation of a wind energy or solar energy system or both to a taxpayer who purchases and installs such a system in a residential rental apartment project which is located in Louisiana. Previously, the credit was available only to a taxpayer at his or her residence in Louisiana or by the owner or a residential rental apartment project. Only one tax credit is available for each eligible system. If the residential property or system is sold, the taxpayer who claimed the tax credit must disclose his or her use of the tax credit to the purchaser.

For more information visit:

<http://www.revenue.louisiana.gov/forms/lawspolicies/RIB07025.pdf>

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REGIONAL INCENTIVES OFFERED

1) Immigration through Investment Program – Under section 203(b)(5) of the Immigration and Nationality Act (INA), 8 U.S.C. § 1153(b)(5), 10,000 immigrant visas per year are available to qualified individuals seeking permanent resident status on the basis of their engagement in a new commercial enterprise. Of the 10,000 investor visas (i.e., EB-5 visas) available annually, 5,000 are set aside for those who apply under a pilot program involving a CIS-designated “Regional Center.” Orleans Parish is a qualified Regional Center. Permanent resident status based on EB-5 eligibility is available to investors, either alone or coming with their spouse and unmarried children. Eligible aliens are those who have invested -- or are actively in the process of investing -- the required amount of capital into a new commercial enterprise that they have established. They must further demonstrate that this investment will benefit the United States economy and create the requisite number of full-time jobs for qualified persons within the United States.

For more information please visit:
<http://www.uscis.gov/portal/site/uscis>

2) Industrial Revenue Bonds – Issued by the New Orleans Industrial Development Board to finance industrial sites and buildings, equipment, storage facilities and pollution abatement and control projects.

For more information on the New Orleans Industrial Development Board:
<http://www.idbcno.com/index.html>

3) Payment in Lieu of Taxes (P.I.L.O.T) – The term “payment in lieu of taxes” (PILOT) can refer to a number of mechanisms. An economic development entity created of local Parish Council, is receiving requests from developers for significant tax breaks, including PILOT requests.

FINANCIAL ASSISTANCE PROGRAMS OFFERED

1) Exim Bank City/State Program – Through its relationship with the U.S. Export- Import Bank, the Louisiana Economic Development Corp. facilitates export working loans for Louisiana businesses.

For more information, contact Michael Williams at the Louisiana Economic Development Corporation, 225-342-5675 (<http://www.exim.gov/about/whoweare/partners/city-state-partners.cfm>)

2) Incumbent Worker Training Program – Louisiana has a \$50 million fund to upgrade the skills of existing employees or train new employees of resident industry. Local workforce investment boards (WIBs), technical colleges and the Louisiana Department of Labor work will provide this benefit.

For more information visit:
http://www.laworks.net/WorkforceDev/IWTP/IWTP_MainMenu.asp

3) The Louisiana Department of Economic Development – offers both Venture Capital Match and Seed Capital Programs: In both programs the state offers businesses one dollar for every two of private investment. The Venture Capital Match Program requires funds to have at least \$5 million of private investment while the Seed Capital Program offers co-investment and matching funds to promote company development and progress.

For more information visit:
<http://www.louisianaeconomicdevelopment.com/>

4) Louisiana Industry Assistance Program – The Industry Assistance Program, managed by the Louisiana Economic Development Board of Commerce & Industry, provides a tax exemption when manufacturers and their contractors give preference and priority to Louisiana manufacturers or Louisiana suppliers, engineers, contractors and labor, except where not reasonably possible to do so without added expense or substantial inconvenience.



5) Louisiana State Market Commission Loans – Direct loans or loan guarantees for acquiring, constructing, furnishing, equipping, making needed improvements or purchasing an agricultural plant and for operating capital, market development costs and product inventories.

6) Louisiana Project Equity Fund – Louisiana Project Equity Fund is a new financing program created by the Louisiana Economic Development (ED) to assist small businesses in purchasing capital equipment and accompanying inventory and/or technology for enhanced production. The program is administered by the Louisiana Economic Development Corporation.

7) Workforce Development Grants – The Louisiana Economic Development awards grants for workforce training costs up to \$500,000 per project for new or existing companies creating at least 10 net new jobs in the state. On-The-Job Training (OJT): The benefits of this locally implemented federal program have been increased within the Gulf Opportunity Zone such that it now reimburses employers 100% of wages of newly hired employees

for the first 160 hours, 80% for the second 160 hours, 60% for the third 160 hours and 50% for any training hours through completion. To utilize this program, you must complete an On-the-Job application. Training is meant for new skills a new hire will need to acquire. Employers will develop a training program of the skills needed by the new employee and an estimate of how long such training will take. New hires must be participants of the WIB system and have completed WIB screening, preferably prior to being officially hired.

8) Small Business Administration – SBA provides a number of financial assistance programs for small businesses that have been specifically designed to meet key financing needs, including debt financing, surety bonds, and equity financing.



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STARTING A BUSINESS IN THE STATE

Companies interested in starting a business in the state must first register online in LaGov and Registered vendors must afterwards submit a Federal W-9 form (tax form), Request for Taxpayer Identification Number and Certification, prior to receiving an award. For extensive information about doing business with the state, visit <http://doa.louisiana.gov/osp/vendorcenter/docs/vendorguide.pdf> and <http://www.sos.la.gov/Pages/default.aspx>

Basic checklist for starting a business in Louisiana

1. Tax Registration – Obtain Tax Identification Number – <http://www.rev.state.la.us/>

2. Business license – Depending on the nature of the job the business will carry out, the company or employees may be required to obtain one or more business and occupational licenses and permits. <http://www.sos.la.gov/Pages/default.aspx>

3. Local Permits – The local government in your area, such as that of your city or county, may require specific permits and licenses. Here are some of the most common licenses and permits you may need. Alarm Permit, Building Permit, Business License and/or Tax Permit, Health Permit, Occupational Permit, Signage Permit, Zoning Permit.

4. Incorporation Filing – If your business is a sole proprietorship, you do not need to register your business with the state, or formally file any assumed names with the county or state. Registration for others (Corporation, General or Limited Partnership, LLC) can be done online at <http://www.sos.la.gov/BusinessServices/FileBusinessDocuments/Pages/default.aspx>

5. Doing Business As – In Louisiana, business owners and business partners can operate under a fictitious name filing, also known as Doing Business As or DBA. Registration form is available at <http://www400.sos.louisiana.gov/comm/cforms/f-309.pdf>

6. Withholding Taxes

i. The IRS requires every employer to maintain records of employment taxes at least four years. Also, maintain complete and accurate records for your business to help you prepare your financial statements, catalogue receipts and invoices, organize deductible expenses, and prepare your tax returns.

ii. Federal Income Tax Withholding (Form W-4) – Under Louisiana law, every employee must sign and date a withholding exemption certificate (Form W-4) and keep a copy on file with the IRS. For more information go to <http://www.irs.gov/pub/irs-pdf/p15.pdf>.

iii. Federal Wage and Tax Statement (Form W-2) – Every employer must report to the federal government wages paid and taxes deducted for each employee. Additional information is available in the Social Security Administration's <http://www.ssa.gov/employer/>

iv. State Taxes – Depending on where in Louisiana your employees are located, you may be required to withhold state income taxes.

7. I-9 Form – Federal law requires all employees hired after November 6, 1986 to provide written proof of eligibility to work in the United States. Within three days of hiring a new employee, employers must complete an Employment Eligibility Verification Form, commonly referred to as an I-9 form. According to Federal law, all U.S. employers are responsible for completion and retention of Form I-9 for each newly hired worker, including citizens and non-citizens.

8. New Hire Reporting – All employers are required to report newly and re-hired employees to Louisiana Directory of New Hires within 20 days of their hire or re-hire data. This can be done at <http://newhire-reporting.com/la-newhire/default.aspx>

9. Insurance Requirements – All Louisiana employers are required to obtain both Unemployment Insurance and worker's Compensation Insurance. Please visit <http://www.cdconline.org/New/sbusreslarequirements.htm> for table checklist



LOUISIANA'S KEY INDUSTRIES

a. Manufacturing Business in Louisiana

Forbes magazine named North Louisiana the most cost competitive place to do business in the United States. Likewise, Business Facilities magazine ranked North Louisiana No. 3 among low cost manufacturing centers. KPMG Competitive Alternatives recognized the region as the No.1 most cost competitive area in North America in 2008 and in 2010. All these rankings point to the fact that North Louisiana offers a competitive cost structure for manufacturing start-ups. Without doubt investing in manufacturing company in North Louisiana could be of great benefit.

REASONS TO OWN A MANUFACTURING COMPANY IN LOUISIANA

- The state effectively provides a zero corporate income tax environment for items produced, manufactured in Louisiana and shipped out of state (single sales tax apportionment).
- As of July 2009, electricity, water, natural gas, machinery and equipment used by manufacturers are exempt from Louisiana sales tax.
- Louisiana has a low percentage of unionized workers (4.3 percent reported by U.S. Bureau of Labor Statistics, 2013), and the ratio of worker skill-to-pay favors businesses.
- Louisiana businesses have access to a competitive, comprehensive portfolio of state, local and federal incentives that can make a profound impact on a company's bottom line.
- Louisiana workers deliver a quality product, ranking second best in the nation for value added per dollar of wages and per hour worked.
- In addition to other statutory and discretionary incentives, Louisiana's new Competitive Projects Payroll Incentive provides up to a 15 percent payroll rebate over 10 years for major investments.
- Louisiana offers a robust transportation infrastructure. The state is home to six interstate highways and is one of only two states in the U.S. with all six Class 1 railroads. A Louisiana location also means access to one of the largest port systems in the world.
- GIS map access gives project managers the ability to locate suitable sites quickly.
- Louisiana is home to one of the most expeditious environmental permitting agencies in the U.S.
- Because natural gas fuels a large portion of the state's power generation, electricity rates for Louisiana industry now rank among the lowest in the nation.

b. Aerospace – With an established advanced manufacturing industry and generations of skilled workers, Louisiana offers competitive advantages for aerospace operations. The state's infrastructure provides global reach and an unrivaled business-friendly and low-cost manufacturing environment.

c. Agribusiness – Louisiana provides vast resources for emerging and expanding companies in the agribusiness and food processing industries. The state's forests supply timber; its farmlands yield cotton, soybeans and sugar cane; and its waters account for one-third of the nation's seafood supply. The warm climate means an extended growing season, and an intermodal transportation infrastructure helps ship value-added products around the globe. Abundant natural resources coupled with a strong business climate are giving companies a competitive edge. Louisiana offers the second lowest state/local tax burden in the U.S. for a new business operation, according to a 50-state analysis by the Tax Foundation and KPMG.

d. Automotive – Louisiana offers unique, strategic advantages for the automotive industry. With coordinated state and regional recruitment efforts focused on the automotive industry, opportunities abound. The state is in close proximity to the South's extensive supplier base, as well as Mexico.

e. Energy – Louisiana has enjoyed a great legacy as a major producer and service provider to the energy industry in the U.S. Eighty-eight percent of U.S. oil rigs are located on the state's outer continental shelf, the state is the number two crude oil producer (including offshore production) and the number three natural gas producer in the nation. The state possesses tremendous intellectual capital and assets that can be leveraged to support cost effective upstream and downstream operations for both traditional energy and renewable energy industries. In addition, Louisiana has a robust and diverse agricultural base offering unique opportunities for alternative energy producers and manufacturers of components critical to the generation, transmission and distribution of energy.

f. Entertainment – Louisiana's entertainment industry has been growing by the year for the last decade. The film, digital media, and sound recording industries have flourished due in no small part to Louisiana's tax incentives aimed at bringing these lucrative industries to the state. Louisiana has hosted more than 300 film and television productions since 2006, and that number continues to grow. Diverse shooting locations, innovative post-production facilities, and burgeoning number of skilled crew members in the state have contributed to making Louisiana 3rd in the nation, behind only California and New York, in the number of entertainment productions to come out of the state.

g. Process Industries – Home to 90 major chemical plants, 300 petrochemical manufacturers and 19 refineries, Louisiana offers considerable strategic advantages for companies in the process industries. From legacy sectors like chemicals and refining to the emerging prospects of biofuels and bioprocessing, the state's abundance of talent, infrastructure and natural resources provide unparalleled opportunities.

h. Software Development – Louisiana is redefining itself as a destination where companies that develop software can thrive. Software development companies which choose Louisiana are afforded the opportunity to take advantage of the nation's

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strongest incentive for the industry. Companies starting up, expanding or relocating in the state can receive a 35 percent refundable tax credit for payroll expenditures and a 25 percent refundable tax credit for qualified production expenditures. If the amount of tax credits exceeds the business' state income and franchise tax liabilities, the business receives the balance as a refund. (Source: <http://www.opportunitylouisiana.com>). Taking advantage of these incentives gives software companies a competitive edge.

i. Mater Management – According to the Coastal Protection and Restoration Authority of Louisiana, it is projected that Louisiana will spend \$1-2 billion per year for the next 50 years on water-related research and projects in marsh creation, protection systems, sediment diversion and other restoration projects. Louisiana is executing the first fully-integrated ecosystem restoration project of its kind which will promote a sustainable coastal ecosystem and provide a viable working coast to support significant industries.

LOUISIANA EXPORT STATISTICS

Louisiana's worldwide exports increased 0.73% from 2012 to 2013. The overall value of Louisiana's exports during 2013 totaled \$63.3 billion, breaking all previous records held by the state for annual export value.

Exports for all 50 states and Puerto Rico, the U.S. Virgin Islands, and the District of Columbia totaled \$1.59 trillion, a 2.19% increase from 2012. Louisiana's top 5 exporting partners for 2013 are Mexico, China, Canada, Japan, and the Netherlands; and its top exports

commodities are petroleum and coal products, agricultural products, chemicals, food and kindred products, and machinery.

In 2013, the U.S. Chamber of Commerce named Louisiana the No. 1 export state in the nation along with a No. 2 rank in export growth and 3rd for income growth per capita. Driven by its national leadership in exports, a strong energy sector and investment in creating a diverse economic base, Louisiana is quickly becoming a national leader for international trade and growing business.



U.S. Exports by State

(US\$ NAICS Database)

Rank	Code	Description	ANNUAL 2012	ANNUAL 2013	%2011- 2012	%2012- 2013
		TOTAL ALL STATES	1,545,703,253,743	1,579,592,865,783	4.26	2.19
1	TX	Texas	264,666,804,113	279,490,894,087	5.40	5.60
2	CA	California	161,746,034,138	168,044,753,621	1.46	3.89
3	NY	New York	81,341,093,709	86,522,548,993	-4.30	6.37
4	WA	Washington	75,655,118,285	81,636,895,348	16.75	7.91
5	IL	Illinois	68,156,581,652	66,088,537,529	5.01	-3.03
6	LA	Louisiana	62,877,212,234	63,338,555,809	14.38	0.73
7	FL	Florida	66,231,814,379	61,344,304,254	1.88	-7.38
8	MI	Michigan	57,050,736,688	58,652,790,164	11.72	2.81
9	OH	Ohio	48,645,040,243	50,799,278,129	4.71	4.43
10	UK	Unknown State	47,950,281,362	47,677,388,581	5.74	-0.57

Louisiana Exports by Country

(US\$ NAICS Database)

Rank	v	Description	ANNUAL 2012	ANNUAL 2013	%2011- 2012	%2012- 2013
		TOTAL ALL PARTNER COUNTRIES	62,877,212,234	63,338,555,809	14.38	0.73
1	CHN	China	9,310,706,978	7,951,267,730	27.87	-14.60
2	MEX	Mexico	6,507,747,150	6,391,488,723	12.84	-1.79
3	CAN	Canada	2,673,692,368	3,135,857,198	15.79	17.29
4	JPN	Japan	3,820,172,038	2,797,625,672	-0.54	-26.77
5	SGP	Singapore	2,270,502,825	2,767,461,556	13.39	21.89
6	NLD	Netherlands	3,408,033,304	2,687,762,056	8.59	-21.13
7	BRA	Brazil	2,284,528,079	2,589,705,638	33.80	13.36
8	FRA	France	1,118,609,460	2,287,727,486	54.94	104.52
9	COL	Colombia	1,415,368,724	1,886,755,742	58.39	33.30
10	PAN	Panama	825,691,872	1,730,104,991	90.18	109.53

Louisiana Exports by Industry

(US\$ NAICS Database)

Rank	Code	Description	ANNUAL 2012	ANNUAL 2013	%2011- 2012	%2012- 2013
		TOTAL ALL INDUSTRIES	62,877,212,234	63,338,555,809	14.38	0.73
1	324	Petroleum And Coal Products	23,172,842,095	25,879,625,416	22.95	11.68
2	111	Agricultural Products	19,502,374,098	15,548,211,016	13.02	-20.28
3	325	Chemicals	8,236,340,093	9,132,198,384	1.10	10.88
4	311	Food And Kindred Products	5,092,474,732	4,648,445,771	26.42	-8.72
5	333	Machinery, Except Electrical	1,758,243,805	2,513,894,903	61.19	42.98
6	212	Minerals And Ores	1,290,408,237	901,253,229	-24.93	-30.16
7	331	Primary Metal Manufacturing	603,385,301	782,005,222	51.29	29.60
8	336	Transportation Equipment	458,423,211	751,393,404	-8.09	63.91
9	332	Fabricated Metal Products, Nesoi	584,026,489	743,087,271	48.78	27.24
10	312	Beverages And Tobacco Products	568,557,435	572,076,237	5.66	0.62



LOUISIANA RAILROADS

Louisiana has an extensive railroad network consisting of 2,699 route miles of track in freight service. Seventeen freight railroads are presently operating lines in the state. Including trackage rights that allow one railroad to run trains on the tracks of another, these railroads operate 3,187 total route miles.

The National Railroad Passenger Corporation (Amtrak) provides intercity passenger services in the state over the lines of the Burlington Northern and Santa Fe Railway, Union Pacific Railroad,

Canadian National Railway, CSX Transportation, and the Norfolk Southern Railway. Except for about six miles of New Orleans Union Station trackage, Amtrak has no track of its own in the state.

There are approximately 6,700 highway-rail at-grade crossings in Louisiana, of which approximately 3,100 are public.

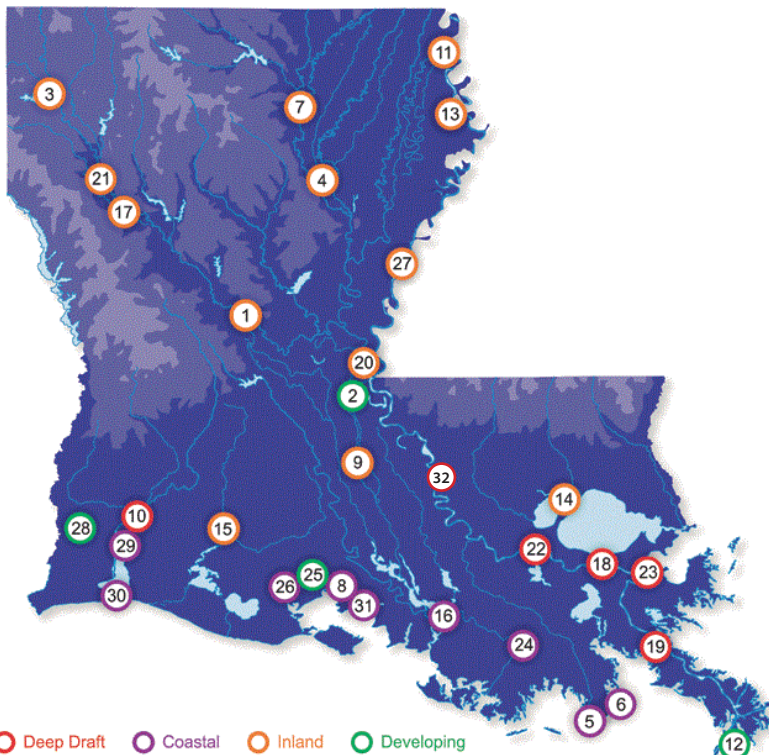
LOUISIANA PORTS

Louisiana has an abundance of ports and port related infrastructure in large part due to its expansive waterway system. These ports are highly significant as they provide state owned cargo transfer facilities and equipment for many water related industries. They also provide a significant and positive economic impact in the form of jobs and tax revenues.

The ports can be generally categorized into four broad categories: deep draft, inland, coastal, and developing. The majority of the Louisiana ports are considered shallow-draft inland or shallow-draft coastal ports. Generally, the shallow-draft inland ports are

cargo and/or industrially based while the coastal ports serve as industrial sites for water-related industries, for servicing the offshore oil and gas industry, and for commercial fishing in the Gulf of Mexico. The six deep draft ports in the state transfer large quantities of port related cargo and routinely rank among the top tonnage ports in the country according to the USACE (Waterborne Commerce of the United States, 2006). The image below illustrates the geographic location of each port within the state of Louisiana.

Image obtained from the Ports Association of Louisiana website <http://portsoflouisiana.org/>



- | | |
|------------------------------------|--|
| 1. Alexandria | 17. Natchitoches |
| 2. Avoyelles | 18. New Orleans |
| 3. Caddo-Bossier | 19. Plaquemines |
| 4. Columbia | 20. Pointe Coupee |
| 5. Fourchon | 21. Red River |
| 6. Grand Isle | 22. South Louisiana |
| 7. Greater Ouachita | 23. St. Bernard |
| 8. Iberia | 24. Terrebonne |
| 9. Greater Krotz Springs | 25. Twin Parish |
| 10. Lake Charles | 26. Vermilion |
| 11. Lake Providence | 27. Vidalia |
| 12. LA International Gulf Transfer | 28. Vinton |
| 13. Madison | 29. West Calcasieu |
| 14. Manchac | 30. West Cameron |
| 15. Mermentau | 31. West St. Mary |
| 16. Morgan City | 32. Greater Baton Rouge (added by WTCNO) |



LOUISIANA AIRPORTS

Three major airports in Louisiana are the Louis Armstrong International Airport in New Orleans, Baton Rouge Metropolitan Airport, and the Lafayette Regional Airport. All FTZ and Industrial Airports are shown in the map below.

Louis Armstrong New Orleans International Airport (<http://www.flymsy.com>)

- Nine major airlines offer flights all over the United States, directly from New Orleans.
- Currently serving 42 nonstop destinations with approximately 140 daily departures.
- Offers a 3,000 space short-term parking garage, a 2,500 space long-term parking garage, and an 800 space credit card lot on site.
- FedEx and UPS shipping, facilities for the disabled, financial services, a business center, a police station, service animal relief areas, smoking areas, food and beverage options, free wifi, and many more amenities included on site.

Baton Rouge Metropolitan Airport (<http://www.flybtr.com>)

- American Airlines, Delta Airlines, United Airlines, and U.S. Airways offer nonstop service to Charlotte, NC, Atlanta, GA,

Dallas, TX and Houston, TX, with approximately 25 departures per day

- Many amenities on site, including an arcade, ATMs, business center, conference rooms, cable tv, curbside check in, food court, gift shops, massage chairs, non-denominational chapel, nursing room, smoking lounge, vending machines, free wifi, and more.

Lafayette Regional Airport (<http://www.lftairport.com>)

- United Airlines, American Airlines, and Delta Airlines offer nonstop service to Houston, TX, Dallas, TX and Atlanta, GA.
- More than 400,000 passengers fly in or out of Lafayette Regional Airport annually.
- Amenities include a business center with complimentary wifi, restaurant and bar, short-term parking with 30 minutes of free parking, gift shop, visitor information center, porter services, and more.

Image obtained from the Louisiana Economic Development Website:

<http://www.opportunitylouisiana.com/infrastructure/#sites>





DOING BUSINESS BY PARISHES

a. JEFFERSON PARISH

Jefferson is the state's second most populous parish in the greater New Orleans; it stretches from the south shore of Lake Pontchartrain to the Gulf of Mexico at Grand Isle, making it the business gateway to the region. It owes a great deal of its commercial success to the Mississippi River, which flows through the parish and it boasts an exceptional transportation infrastructure, including large port operations, major railways and roadways and access to the Louis Armstrong New Orleans International Airport in the City of Kenner. Jefferson Parish has the Churchill Technology and Business Park located on the West Bank, this is the largest master-planned site in Jefferson Parish. Currently, it is home to JEDCO and the Patrick F. Taylor Science and Technology Academy. There are approximately 500 acres on which to build and develop. Interested individuals can visit www.churchillpark.org or call (504) 875-3908.

Jefferson Parish Statistics
 431,732: Number of people living in Jefferson
 38.7: Median Age
 110,461: Number of families living in Jefferson
 197,956: Number of people employed in Jefferson
 211,672: Civilian Labor Force
 6.5%: Unemployment Rate
 \$43,187: Per Capita Personal Income
 \$18,645,210: Total Personal Income (000s)
 \$46,398: Median Household Income

The Jefferson Parish Economic Development Commission (JEDCO) is an independent, yet complementary arm of Jefferson Parish government with the main objective of attracting, growing and creating new business in our area. JEDCO's mission is to proactively influence the economy through the retention and creation of quality jobs, entrepreneurship and investment in Jefferson Parish. JEDCO is committed to helping businesses thrive in Jefferson Parish. Since its inception in 1987, JEDCO has aided thousands of companies through business incubator and loan programs, tax incentives and rebate programs, workforce development and information services. While dedicated to assisting existing Jefferson Parish businesses, JEDCO's efforts also target the recruitment of new businesses for the area.

For more information about JEDCO, visit www.jedco.org or call (504) 875-3908.

b. LAFAYETTE PARISH

With an estimated population of more than 225,000, the centrally-located parish (county) of Lafayette serves as an economic center in Louisiana. The region's legendary joie de vivre and Cajun and Creole cultures are known around the globe, creating a unique environment for work and play. Lafayette is also home to a world-class workforce, an integrated transportation network, a diversified business base, preeminent high-tech infrastructure, and a metropolitan appeal.

Today, Lafayette has diversified with the energy industry by positioning itself as a medical, transportation, entertainment,

education and retail hub. The business base of the parish includes energy services, manufacturing, health care, transportation and distribution, education, information technology, finance, tourism and other service-related industries. The resilience of Lafayette's economy is attributed to its entrepreneurial spirit and productive workforce that demonstrates a strong work ethic influenced by southern values. With this foundation, Lafayette Parish is able to foster an economy that supports a growing population, a low unemployment rate, as well as strong real estate and retail markets.

Le Centre International de Lafayette

Le Centre International de Lafayette, the international division of Lafayette Consolidated Government, strives to increase international commerce and tourism in the Lafayette region. Le Centre International takes the lead on foreign trade relations between Lafayette and the world.

Le Centre International offers the following services: identification of trade opportunities and assistance with market research; one-on-one export counseling; trade missions and trade shows abroad; organization of seminars, meetings, and briefings for visiting delegations; export financing referrals; seminars and workshops; and a public awareness program.

Economic Development Zones

Lafayette Parish includes four economic development zones: Lafayette Centre (Central Business District), Lafayette Regional Airport, City of Broussard, and University of Louisiana at Lafayette Research Park. Locating in these established zones allows businesses to take advantage of significant incentives for the addition of new jobs through the Louisiana Enterprise Zone Program.

Lafayette Economic Development Authority

The Lafayette Economic Development Authority (LEDA) works with businesses as they make decisions to start, expand or relocate to Lafayette, LA and the surrounding communities. Through innovative collaborations with business, government and education, LEDA works to creatively overcome barriers to entry and close any gaps that may prevent a project from coming to fruition in the Lafayette region. LEDA provides business and industry solutions that give the community a competitive advantage in attracting and retaining projects in our area. These solutions range from providing local incentive and financing options, to specialized workforce and infrastructure development. LEDA owns four Industrial Parks with land available for purchase by prospective projects which meet investment and job creation criteria. LEDA works directly with the Opportunity Machine, a business and technology accelerator, to provide office space to qualifying local and international companies. The two "Eco-Zones" are plug and play— outfitted with furniture, executive offices, a conference room with teleconferencing capability, and all utilities including phone line and 1 Gbps symmetric internet access. In both locations, expenses for these amenities are covered by Opportunity Machine and offered free to its membership.

CONSULS AND HONORARY CONSULS IN LOUISIANA

There are 48 honorary consuls and 7 career consuls in Louisiana. They are listed below.

a. CONSULS

Burkina Faso, Dominican Republic, Honduras, France, Mexico, Panama, and Venezuela

b. HONORARY CONSULS

Albania, Austria, Bangladesh, Barbados, Belgium, Belize, Brazil, Canada, Chile, Croatia, Cyprus, Czech Republic, Denmark, El Salvador, Finland, Germany, Haiti, Hungary, Iceland, Ireland, Italy, Japan, Republic of Kazakhstan, Republic of Korea, Lesotho, Lithuania, Luxembourg, Republic of Mali, Malta, Monaco, Netherlands, Nicaragua, Norway, Portugal, Romania, Senegal, Serbia, Republic of South Africa, Spain, St. Vincent & The Grenadines, Suriname, Sweden, Switzerland, Tanzania, Thailand, Ukraine, United Kingdom, and Uruguay.

For more information visit: <http://louisianaconsularcorps.com/>



An additional resource related to the import/export and foreign direct investment activities between Louisiana and these countries, is the Economic Ties Between Louisiana and the World. To access its electronic version, please visit: <http://www.wtcno.org/trade-resources/research-publications/economic-ties-between-louisiana-and-the-world/>



DISCLAIMER

This publication is for general information purposes only. It does not provide comprehensive explanation of business information, U.S. or Louisiana tax laws, or any other laws and should not be relied upon by any reader as an adequate and exhaustive explanation of those laws. Additionally, the information set forth in this booklet may not be current. It is not intended to be a substitute for professional advice in the various areas it addresses. The intent of the booklet is not to set forth in a comprehensive manner all issues that may face a foreign investor undertaking an investment or business operation in Louisiana. Many additional issues may face an investor, depending upon the investment or business operation involved. The purpose of the booklet is simply to set forth basic information and familiarize a foreign national or out of state investor with some basic U.S. business concepts and state and federal tax incentives that may be available.



WHAT IS THE TRADE SERVICES DEPARTMENT?

World Trade Center of New Orleans
Trade Services Department:

- Provides customized research to clients based on their individual business needs
- Works closely with each business or individual to provide customized services for: import and export processes, foreign direct investment, mergers and acquisitions, and other trade related operations
- Ensures the accuracy of its services by working with U.S. and foreign government offices

WHY CHOOSE WTCNO TRADE SERVICES?

- Starting an import/export operation is not easy; the necessary information is often spread out and can be difficult to locate
- Becoming sufficiently familiar with the business culture of a target market can be the difference between success and failure
- Knowing the competition for markets and products is fundamental to achieving your goals
- Reliable information is the bedrock of mergers and acquisitions
- Foreign Direct Investment is reliant on an informed decision making process

SAMPLE SERVICES & PRODUCTS

- Preliminary Facts & Data Reports
- Import-Export Competitive Analyses
- Duty and Tariff Reports
- Foreign Direct Investment Reports
- Tailored Trade Leads Database
- Business Matchmaking Sessions
- In Situ Trade Visits
- Trade Events Guides
- Cultural Guides
- Export Plans
- Customized Project Requests

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