



La Porte URBAN ENTERPRISE Association

Working for Our Economic Future

IN THE ZONE

**La Porte Urban Enterprise Zone
Programs & Incentives**

IN THE ZONE

The La Porte Urban Enterprise Association (LPUEA) is a 501(c) 3 not for profit organization which serves as the governing body of the La Porte Urban Enterprise Zone. The Association acts as a liaison among Zone residents, businesses and the City of La Porte for any development activity and programs that affect the Zone and its residents.

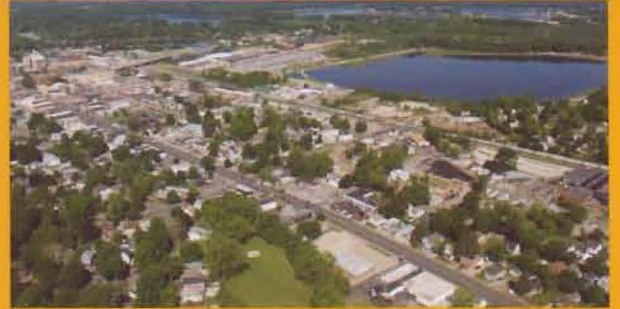
The Mission of the La Porte Urban Enterprise Association is:

To be a comprehensive economic and community development organization that fosters new investment, partnerships, job creation and redevelopment of the Enterprise Zone.

The Enterprise Zone was established in 2002 for the purpose of creating jobs and new business opportunities, while raising the quality of life within the community. The Zone covers close to a four square mile designated portion of land within the City of La Porte. Within its borders are more than 450 businesses and a population of over 6,200 residents.

The Zone is a hallmark for urban revitalization and a cornerstone for economic growth and development.

IN THE ZONE



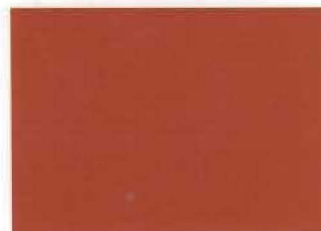
Operating a business IN THE ZONE, working for a company IN THE ZONE and living IN THE ZONE offer a number of advantages and incentives. Zone

programs help to revitalize the area and promote a better quality of life.

Zone Programs and Incentives

The La Porte Urban Enterprise Zone offers three categories of incentives:

1. To Zone businesses to encourage investment and reinvestment in their business
2. To individual residents residing and working in the Zone
3. To lenders to encourage lending to Zone entities



Enterprise Zone Investment Deduction

Zone businesses can receive a tax deduction for the increased value of a business property due to a real and personal property qualified investment by the business.

The added valuation may be deducted for up to 10 years. Examples of "qualified investments" include: purchase or construction of a new or existing building; purchase of new manufacturing or production equipment; costs associated with the repair or modernization of an existing building; onsite infrastructure improvements.

Investment Cost Credit

An individual investing equity in a Zone business may be eligible to receive a credit of up to 30% of the investment against their State income tax liability. The percentage of the credit varies depending upon the type of investment, the type of business and the number of jobs created by the investment.

Loan Interest Credit

An individual or business is entitled to a State tax credit of 5% of interest income earned on loans to Zone businesses or on loans for improvements to real property, including residential property. The loan

must directly benefit a Zone business or residence and must result in an increase of the assessed value of the property. It can also apply to rehabilitate, improve or repair a Zone residence.

Employment Expense Credit

Employers operating a business in the Zone may apply a 10% credit to its State adjusted gross income tax, insurance premium tax and financial institution tax liabilities for the increase in wages paid to qualified Zone resident employees, up to \$1500 per employee.

Employee Tax Deduction

Qualified employees who live and work in the Zone are entitled to a State tax deduction equal to one-half of their adjusted State gross income, up to \$7,500.

A qualified employee is an individual whose principal place of residence is in the Zone, who works 50% of their time for a Zone business and has at least 90% of their service directly related to the employer's Zone business.

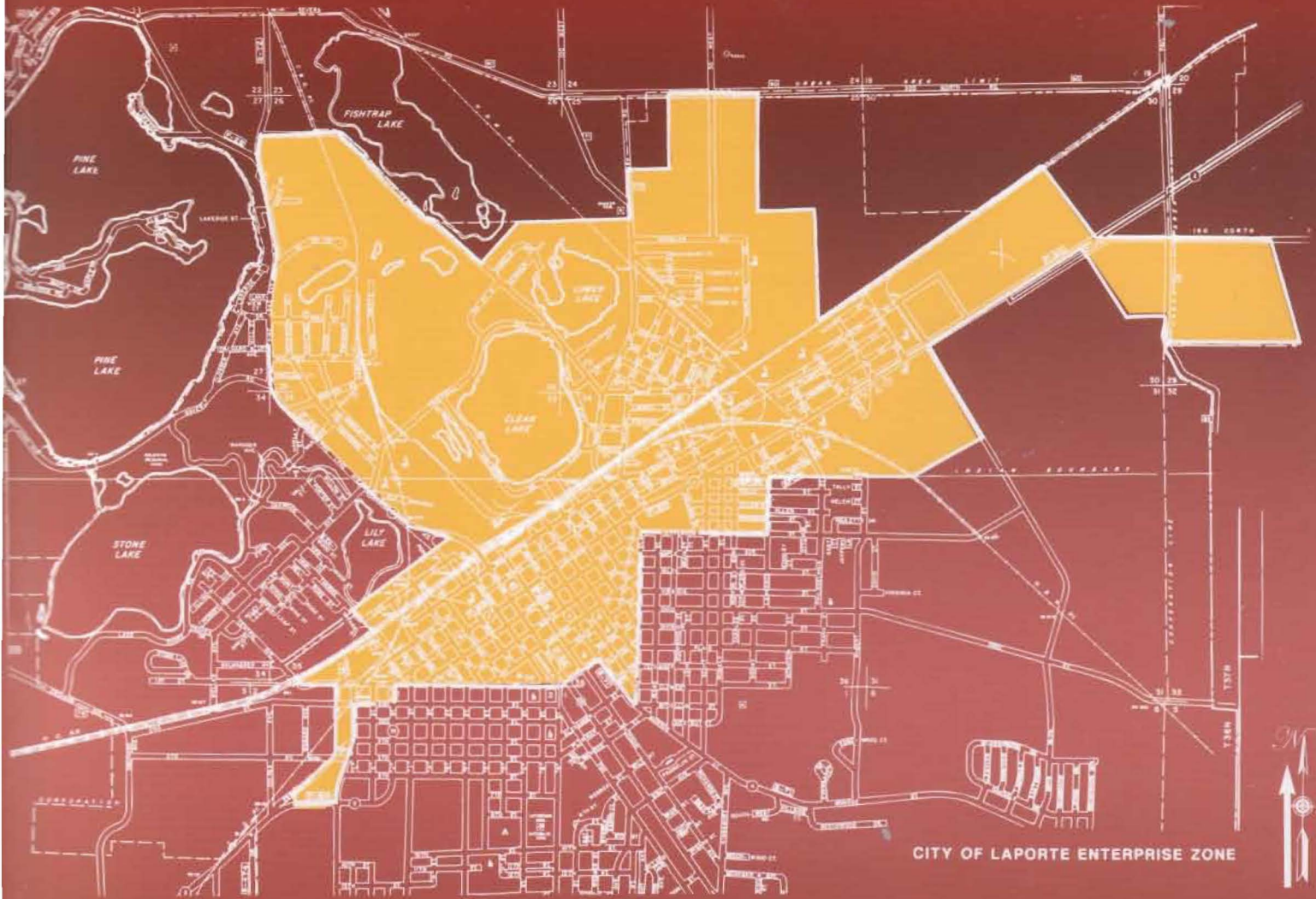
Grant Programs Available

Participation & Eligibility Requirements

*Contact: Office of Community
Development and Planning
219-362-8260
cityplanner@cityoflaporte.com
www.cityoflaporte.com
Click on "Business"
Click on "LPUEA"*



IN THE ZONE



La Porte URBAN ENTERPRISE Association

Working for Our Economic Future

www.cityoflaporte.com, Click on "Business" Click on "LPUEA"