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## DIGEST

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HB 1179 Engrossed

2026 Regular Session

Bacala

**Abstract:** Extends eligibility for the property tax exemption for a new manufacturing establishment for the Industrial Tax Exemption Program (ITEP) to aerospace manufacturing establishments.

Present constitution authorizes the State Board of Commerce and Industry, with the approval of the governor, to enter into contracts to exempt from property taxes a new manufacturing establishment or an addition to an existing manufacturing establishment commonly known as the ITEP Program.

Present constitution limits the exemption to an initial term of no more than five calendar years, and allows the exemption to be renewed for an additional five years.

Present constitution defines "manufacturing establishment" and "addition" as a new plant or establishment or an addition to any existing plant or establishment which engages in the business of working raw materials into wares suitable for use or which gives new shapes, qualities or combinations to matter which already has gone through some artificial process.

Proposed law extends eligibility for the exemption in present constitution to aerospace manufacturing and capital expenditures related to facilities and infrastructure integral to aerospace manufacturing.

Proposed law defines "aerospace manufacturing" as the fabrication, assembly, integration, testing, preparation, and launch of vehicles and craft as part of aerospace activities and defines "aerospace manufacturing establishment" as any facility used in aerospace activities, including pads, structures, propellant systems, testing infrastructure, and related support systems that are functionally integrated with the manufacturing process.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:1703.2)