RÉSUMÉ DIGEST

ACT 190 (HB 1088) **2026 Regular Session** **Bacala**

New law defines "aerospace activity", "approved aerospace facility", "approved aerospace facility contractor", and "approved aerospace facility owner" for purposes of new law.

New law provides that approved aerospace facility owners and approved aerospace facility contractors shall be eligible for a rebate, to be paid annually, of state and local sales and use taxes paid for the purchase, lease, rental, or use of machinery, equipment, materials, supplies, or services used directly in aerospace activities at an approved aerospace facility.

New law limits applicability of the rebate exclusively to qualifying purchases made on or after July 1, 2026.

New law requires certification of approved aerospace facilities by La. Economic Development (LED). Provides that in order to be certified as an approved aerospace facility, the facility owner shall provide a sworn attestation to LED that the project will create a minimum of 200 new direct, permanent, full-time jobs in La. and intends to expend at least $1B in new capital investment in La. on or after July 1, 2026, but before July 1, 2031.

New law requires parties that have been certified as approved aerospace facilities to enter into an agreement with LED that comports with the following requirements:

(1) It provides a term of rebate eligibility, with an initial term of 20 years.

(2) It contains a list of all eligible recipients of the rebate.

(3) It contains language that authorizes the state to terminate the agreement and recapture any rebates if the aerospace facility fails to fulfill, or if LED determines that the facility will be unable to fulfill, its statutory and contractual obligations.

New law provides that upon the expiration of the initial term of rebate eligibility, LED may renew the agreement for an additional 10 years.

New law authorizes LED to include in agreements with approved aerospace facilities any additional conditions it deems appropriate.

New law authorizes the Dept. of Revenue (DOR) to utilize any collection remedy allowed by existing law for any rebates subject to recapture based on termination of the agreement with LED or a determination that a purchase did not qualify for a rebate. Requires that if a rebate is subject to recapture, the approved aerospace facility owner shall reimburse DOR or its agent for any costs incurred.

New law requires that each approved aerospace facility be issued a direct payment number in accordance with applicable provisions of existing law, thereby allowing those businesses to remit sales tax on purchases directly to the state and local taxing authorities.

Effective July 1, 2026.

(Amends R.S. 47:303.1(B)(5); Adds R.S. 47:305.82)