

March 28, 2016

I am writing this letter in support of extending the sunset provision of the Louisiana Tax Free Shopping Program. Act 435 of the 2012 Regular Session of the Louisiana Legislature is set to expire, and a new bill to renew the LTFS Program is being submitted in the upcoming 2016 Regular Session.

The tax Free Shopping Program is an essential tool used to encourage international tourists to visit Louisiana by offering a sales tax refund on qualified purchases.

Tourism is one of Louisiana’s top industries, generating $11.2 billion in annual spending for Louisiana businesses. International visitors, on average, spend 20% more than their domestic counterparts and stay at a destination two or three days longer.

In 2015, Lakeside Mall alone benefitted from international visitor shopping with purchases at $14 million. Independent surveys have shown that 48% of international visitors stated they spent more while visiting Louisiana because of the LTFS Program.

The business community recognizes the proven success of the LTFS Program as an economic stimulus for Louisiana. A University of New Orleans study revealed the program generated a total economic impact of $73.7M and almost $2.7M in new state tax revenue in 2011. It was determined that for every $1.00 returned to international visitors using the program, an additional $1.80 is generated in new tax revenue from direct and indirect spending.

With the construction and renovations being done at the Louis Armstrong International Airport, now is the time to encourage international visitors to our state and grow our state tax revenue.

We, at East Jefferson Business Association, strongly support renewal of the LTFS Program.

Thank you,

Mildred Zorick Congemi

On Behalf of East Jefferson Business Association