

The Chemical Industry and BASF: Essential to Louisiana

How important is the chemical industry and BASF to Louisiana? They are essential. Below are facts to support the vital role Louisiana's chemical industry and BASF play in the daily lives of citizens.

Louisiana's Chemical Industry Impact

In addition to being essential to the manufacturing of products used by people in their daily lives, Louisiana's chemical industry greatly supports the state's economy and the local communities where industry has operated for more than a century.

Louisiana's chemical industry is the **#1 producer of direct jobs** in Louisiana's manufacturing sector and second overall, employing 29,109 people in 2017. In addition, the industry supports 267,601 additional jobs in Louisiana. The job multiplier for this industry is 9.3, meaning for every (1) job created in the chemical industry, an additional 8.3 jobs are created elsewhere in the state.

Louisiana Impact



29,109 direct jobs
\$2.9 Billion earnings
\$2,050 average weekly salary



1 of every **7** jobs is an industry job
\$15.7 Billion earnings annually



\$1.1 Billion state taxes
\$959.5 Million local taxes



Collected industry taxes are enough to pay for
40% (19,266) of public-school teacher salaries

Ascension Parish Impact



4,053 chemical industry jobs
2nd largest in the state



\$491.3 Million earnings paid in 2017



Ascension Parish ranks **4th** in the total amount of projects enrolled in ITEP



~\$49,801 state teacher salary
\$52,035 Ascension Parish teacher salary

The Industrial Tax Exemption Program (ITEP) incentivizes manufacturers to build or expand in Louisiana, which results in added jobs, revenue and overall better quality of life in the state.

Prior to 2016, the ITEP offset an otherwise uncompetitive tax system in Louisiana. Recently, Louisiana's chemical manufacturers have experienced increases in taxes levied against them on utilities, machinery and equipment, as well as significant reductions on tax credits dramatically impacting their tax burden. Louisiana's chemical manufacturers pay a significant amount in both state and local taxes every year. Businesses in Louisiana pay nearly 50 percent of state and local taxes. It is estimated that the chemical industry generated nearly **\$2 billion** in local and state taxes and fees in 2017.

BASF in Geismar: Creating Chemistry

BASF's largest manufacturing site in North America is located in Geismar, La. in Ascension Parish. Celebrating 60 years of creating chemistry in Geismar, BASF is the largest private employer in Ascension Parish with approximately 1,600 employees and contract employees on site. At only 25 percent capacity, there is significant opportunity for growth and expansion at the site. Since 2009, BASF invested \$800 million in new projects at the Geismar site. In addition, BASF and its employees support more than 40 organizations and nonprofits in the community.

BASF: By the Numbers



60 years
BASF operating in Geismar



\$20 Million
state and local taxes in 2017



\$800 Million
invested in new projects
since 2006



\$1 Million
donations and volunteer
services in 2017



1,600 employees &
contractors at the Geismar Site



40 organizations & nonprofits
supported by BASF

Support the Chemical Industry in Louisiana

There are mistruths being spread about the amount of taxes BASF and the chemical industry pay to the state. Both pay significant amounts, and these false claims must be corrected. We are encouraging the community to learn more about BASF and the chemical industry's importance and financial contributions to Louisiana by visiting www.basf.us/la.

Take Action!



If you believe industry is essential to Louisiana, please voice your support. Call or email your:

- **School Board Members**
- **City/Parish Council Members**
- **Sheriff's Department**
- **State Representative and State Senator**

Tell them to support the chemical industry and ITEP.

Information contained in the document were gathered from the following sources:

- **Louisiana Office of the Governor**
- **Louisiana Department of Economic Development**
- **Louisiana Department of Revenue**
- **Louisiana Association of Business and Industry**
- **Dr. Loren Scott, economist**