

Industrial tax exemptions are allowed under Louisiana law as **incentives** to spur economic development **that would not otherwise have happened.**

Calumet Lubricants & Waxes LLC is requesting property tax exemptions for plant upgrades totaling \$38.9 million.

If approved, these exemptions would cost Caddo Parish **\$5.8 in lost revenue** over the next 8 years.

- **Caddo Schools** would lose **-\$2.7 million**
- **Caddo Sheriff** would lose - **\$488,284**
- **City of Shreveport** would lose - **\$1.65 million**
- **Caddo Parish government** would lose - **\$949,462**

Public documents reveal that all the projects seeking tax “incentives” already have been completed.

DATE	06/28/2016	ADVANCE NOTIFICATION #	20161561
BUSINESS NAME	Calumet Shreveport Lubricants & Waxes, LLC	PARISH PROJECT IS LOCATED	Caddo
PROJECT'S PHYSICAL ADDRESS	3333 Midway Street Shreveport, LA 71133		
MAILING ADDRESS	2780 Waterfront Parkway Suite 200 Indianapolis, IN 46214		
PROJECT NAME (OPTIONAL)	New Pipeline at Brown Station	NAICS CODE	324110
PROJECT BEGINNING DATE	07/01/2016	PROJECT ENDING DATE	12/31/2016
DATE	06/28/2016	ADVANCE NOTIFICATION #	20161562
BUSINESS NAME	Calumet Shreveport Lubricants & Waxes, LLC	PARISH PROJECT IS LOCATED	Caddo
PROJECT'S PHYSICAL ADDRESS	3333 Midway Street Shreveport, LA 71133		
MAILING ADDRESS	2780 Waterfront Parkway Suite 200 Indianapolis, IN 46214		
PROJECT NAME (OPTIONAL)	Tank 201 Rundown Jumper Line and Lift Station Upgrades	NAICS CODE	324110
PROJECT BEGINNING DATE	07/01/2016	PROJECT ENDING DATE	12/31/2016
DATE	03/24/2017	ADVANCE NOTIFICATION #	20170161
BUSINESS NAME	Calumet Packaging, LLC	PARISH PROJECT IS LOCATED	Caddo
PROJECT'S PHYSICAL ADDRESS	10411 HWY 1 Shreveport, LA 71115		
MAILING ADDRESS	2780 Waterfront Parkway E Dr Ste 200 Indianapolis, IN 46214		
PROJECT NAME (OPTIONAL)	Tank Farm Expansion and Manufacturing Expansion	NAICS CODE	325998
PROJECT BEGINNING DATE	03/24/2017	PROJECT ENDING DATE	12/31/2017
DATE	02/23/2017	ADVANCE NOTIFICATION #	20170091
BUSINESS NAME	Calumet Shreveport Lubricants & Waxes, LLC	PARISH PROJECT IS LOCATED	Caddo
PROJECT'S PHYSICAL ADDRESS	3333 Midway Street Shreveport, LA 71133		
MAILING ADDRESS	2780 Waterfront Parkway Suite 200 Indianapolis, IN 46214		
PROJECT NAME (OPTIONAL)	Vapor Staging Unit and Combustion Unit	NAICS CODE	324110
PROJECT BEGINNING DATE	02/23/2017	PROJECT ENDING DATE	09/30/2017
DATE	03/24/2017	ADVANCE NOTIFICATION #	20170160
BUSINESS NAME	Calumet Shreveport Lubricants & Waxes, LLC	PARISH PROJECT IS LOCATED	Caddo
PROJECT'S PHYSICAL ADDRESS	3333 Midway Street Shreveport, LA 71133		
MAILING ADDRESS	2780 Waterfront Parkway Suite 200 Indianapolis, IN 46214		
PROJECT NAME (OPTIONAL)	Refinery Turnaround and Expansion	NAICS CODE	324110
PROJECT BEGINNING DATE	03/24/2017	PROJECT ENDING DATE	12/31/2017

2. PROJECT INFORMATIONTYPE OF PROJECT: Start-Up/New Plant Addition to an Existing Plant Miscellaneous Capital Addition

JOBS, DATES AND PAYROLL FOR THIS PROJECT (Complete Items A – F)	
A. Additional full-time persons to be employed in operations after this project is completed: 147,364	4
B. Full-time persons employed in plant operations prior to this project: 27,759,743	2
C. Construction jobs for this project:	25
D. Date Construction and/or installation started:	01/01/2015
E. Date construction and/or installation was completed:	05/31/2016
F. On-site construction payroll:	3,601,724

PROJECT INVESTMENT	
Total Building	\$ 0
Total Equipment (+)	\$ 1,484,996
Total Labor & Engineering (+)	\$ 3,601,724
Total Investment (=)	\$ 5,086,720
Less: Restricted Amount (-) (Obsolete Equipment)	\$ 143,614
Investment Amount (=) (To be Considered for Exemption)	\$ 4,943,106

One project began construction in **January 2015** (3 years ago) and was completed in **May 2016** (21 months ago).

In January 2018, Calumet's tax director signed a statement that the project "will be completed" in **May 2016** (20 months before he signed the statement)

Hereby certify that I am Tax Director of Calumet Sheveport Lubricants & Waxes, LLC
TITLE COMPANY NAME

And I hereby verify that this Certification is made for the specific purpose of attesting that hiring or construction related to this Industrial Tax Exemption project began/will begin on the 1st day of January 20 15 that all construction related to this Industrial Tax Exemption application will be completed on or about the 31st day of May 20 16 that operation of these constructed facilities related to the Industrial Tax Exemption project covered in this application will begin on or about the 1st day of January 20 17.

That where buildings, equipment or machinery are being replaced, **both** the original cost of the building, equipment or machinery being replaced and the cost of the replacements are shown and identified on the application and; that any secondhand items shown on the application were not on the active Louisiana tax assessment rolls at the time of acquisition or had not been previously covered by an industrial tax exemption in Louisiana and; that none of the items on this application are presently on the tax assessment rolls of any parish in the State of Louisiana.

I hereby certify that the Industrial Tax Exemption project identified in this application with the above referenced number meets all of the requirements of LA Const. Art. 7, Section 21 (F) and applicable regulations. I hereby certify that the information provided in this application is true and correct, and I am aware that my submission of any false information or omission of any pertinent information resulting in the false representation of a material fact may subject me to civil and/or criminal penalties for the filing of false public records (R.S. 14:133) and/or forfeiture of any tax exemptions approved under this program. I understand that the application and information submitted with it shall not be returnable to the applicant.

By:



(Original Signature)

Philip Murphy Tax Director

Printed Name and Title

01/04/2018

Date

Inferno Manufacturing also is requesting a “retroactive incentive” for a machine purchase made in 2016 costing \$480,000.

The exemption (if approved) would cost Caddo Parish **\$71,612 in lost revenue.**

- **Caddo Schools** would lose **-\$33,548**
- **Caddo Sheriff** would lose **- \$6,018**
- **City of Shreveport** would lose **- \$20,344**
- **Caddo Parish government** would lose **- \$11,703**

EXHIBIT 2

Business Name: Inferno Manufacturing

(Project Budget)

Machinery –

2016 – purchased Nakamura NTRX-F005

\$ 480,000.00

Taxpayers are being asked to pay \$72,000 to help “incentivize” the purchase of this machine (which actually was purchased in December of 2016).



Louisiana's Constitution prohibits any state or local governmental body from providing a "thing of value" to a private entity except for a public purpose.

(Article VII, Section 14C)

Blackwell Opinion

"The constitutional question is **whether the retroactive grant of an ITEP exemption for a project that has already been completed provides an 'incentive' or 'inducement'** for the completion of the project. The obvious and foregone conclusion is that it does not.

"It is our considered opinion that that the retroactive grant of an ITEP exemption for a project that has already been completed violates the purpose of Industrial Tax Exemption Program and such an approval would likely be deemed unconstitutional."

Legal opinion from Blackwell & Associates

**For more detailed information or
source documentation, contact
Together Louisiana:**

togetherlouisiana@gmail.com