



LOS ANGELES COUNTY ECONOMIC DEVELOPMENT CORPORATION

Wednesday, March 24, 2010

LAEDC commends Governor for enacting legislation to provide a sales tax exemption on the purchase of green tech manufacturing equipment

The Los Angeles County Economic Development Corporation (LAEDC) commends Governor Schwarzenegger and the state Legislature for taking steps to stimulate job creation and provide a much needed boost to our state's economy during these difficult economic times by enacting legislation to provide a sales tax exemption on the purchase of manufacturing equipment for advanced transportation, renewable energy and other clean technology projects.

The LAEDC has long held that California's efforts to reduce greenhouse gas (GHG) emissions do not have to mean making a choice between a healthy environment and economic growth. Rather – with real incentives such as provided by this sales tax exemption – we can help ensure that some of the money and know-how required to achieve fast-approaching and aggressive environmental regulations can also serve to capitalize and unleash the entrepreneurial power of our state's private sector. This in turn would develop innovative, exportable technologies, and help create thousands of new jobs in California's clean tech sector by expanding the number of clean technology manufacturing companies that locate in California.

Specifically, the LAEDC believes this sales tax exemption represents an extremely important step to ensure that environmental sustainability and economic opportunity are, in fact, compatible state goals by helping to facilitate the following:

- Ensure that more of the money used to meet renewable energy, GHG emissions, and climate change goals is kept within state lines where it can facilitate the continued development of our clean tech sector into a leading global export industry
- Catalyze the state's clean technology sector by providing sales tax relief for those alternative energy companies negatively impacted by the current economic situation and the reduced capital financing options
- Encourage the purchase of machinery and equipment by a diverse set of key job-generating manufacturing and installation-related projects statewide
- Help California's clean technology manufacturers remain competitive with out-of-state and foreign firms and, thus, serve as a valuable tool to retain and grow high-value, middle class manufacturing jobs in the state
- Help California achieve its renewable energy, climate change and long-term emission reduction goals.

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