

**Payment in Lieu of Taxes (PILOT) — Business Qualification & Benefits Overview**

A competitive tax incentive program designed to attract and retain high-quality businesses in the City of Lewisburg

**WHAT IS A PILOT?**

A Payment in Lieu of Taxes (PILOT) agreement is a formal economic incentive in which a qualifying business makes negotiated payments to local government in place of standard property taxes. PILOTs are authorized under Tennessee state law and administered by the Lewisburg Industrial Development Board (IDB) in cooperation with the Lewisburg City Council.

By reducing the tax burden on new capital investment during a business’s startup or growth phase, Lewisburg’s PILOT program helps attract quality employers, supports job creation, and strengthens the long-term economic vitality of our community.

**MINIMUM QUALIFICATION REQUIREMENTS**

To be considered for a PILOT incentive, a business must meet at least one of the following minimum investment thresholds and demonstrate a positive economic impact on the City of Lewisburg and Marshall County.

Real Property Investment	Personal Property Investment
<b>\$500,000+</b> Land and/or Buildings	<b>\$500,000+</b> Machinery and Equipment

Note: Investments may be combined across both categories to meet the minimum threshold.

**ECONOMIC IMPACT CONSIDERATIONS**

In addition to meeting the investment threshold, all PILOT applications are evaluated based on the overall economic benefit to the Lewisburg community. Key factors include:

Evaluation Criteria
✓ Number of net new full-time jobs created in Lewisburg or Marshall County
✓ Wage levels offered — preference given to businesses paying above local market averages
✓ Long-term viability, stability, and growth potential of the business
✓ Diversity of industry and economic benefit to the broader community
✓ Projected expansion of the local tax base over the agreement period

**APPLICATION & APPROVAL PROCESS**

The PILOT application process is designed to be efficient and transparent. Approvals typically occur within 14–21 business days of a complete submission.

<b>1</b>	<b>Submit Your Application</b> Complete and submit the official PILOT application to the City of Lewisburg Economic Development Office. Include all required project details, investment amounts, and projected employment figures.
<b>2</b>	<b>Pay the Application Fee</b> The fee is calculated as $0.0005 \times$ total capital investment, with a minimum of \$500 and a maximum of \$5,000. Payment is due with application submission.
<b>3</b>	<b>IDB Review &amp; Recommendation</b> The Lewisburg Industrial Development Board reviews the application, evaluates economic impact, and issues a formal recommendation to City Council.
<b>4</b>	<b>City Council Approval</b> The Lewisburg City Council votes on final PILOT approval, typically at their next regularly scheduled meeting following IDB recommendation.
<b>5</b>	<b>Execute Legal Agreements</b> Upon approval, the business and the City execute all required legal agreements, including the PILOT agreement, compliance terms, and reporting obligations.
<b>6</b>	<b>Annual Reporting &amp; Review</b> Businesses must submit annual reports confirming compliance with job, wage, and investment commitments. City and IDB staff provide ongoing support throughout the agreement term.

## BENEFITS OF THE PILOT PROGRAM

Tax Benefits	Financial Benefits	Process Benefits
<ul style="list-style-type: none"> <li>✓ Abatement on real property taxes (City &amp; County)</li> <li>✓ Abatement on personal property taxes (City &amp; County)</li> <li>✓ Covers both machinery and real estate investments</li> </ul>	<ul style="list-style-type: none"> <li>✓ Reduced operating costs during startup or expansion</li> <li>✓ Improved cash flow on high-value capital assets</li> <li>✓ Predictable, formalized tax obligations</li> </ul>	<ul style="list-style-type: none"> <li>✓ Streamlined approval (14–21 business days)</li> <li>✓ Dedicated support from City &amp; IDB staff</li> <li>✓ Ongoing compliance assistance throughout term</li> </ul>

## PROGRAM INTENT & COMMUNITY GOALS

The City of Lewisburg’s PILOT program reflects our community’s commitment to smart, sustainable economic growth. Our goals include:

- Encouraging significant new capital investment in the City of Lewisburg
- Supporting the creation of quality jobs at competitive wages
- Strengthening and diversifying the long-term property tax base
- Keeping Lewisburg competitive with other Tennessee communities for business attraction
- Partnering with businesses that share our values of community investment and long-term commitment

We believe that when businesses succeed in Lewisburg, our whole community wins. The PILOT program is one of the ways we invest in that shared future.

**Ready to Apply or Learn More?**

**Clint Williams** • Director of Economic Development

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