

Economic Development Incentives Summary

Excelsior Jobs Program

This is a discretionary tax credit that provides job creation and investment incentives to firms in targeted industries. Eligible firms that create and maintain new jobs or make significant financial investment are eligible for up to four Excelsior tax credits. The Program encourages businesses to expand in and relocate to New York while maintaining accountability standards to ensure businesses deliver on job and investment commitments.

Firms in the Excelsior Jobs Program may qualify for four fully refundable tax credits, and claim these credits over an 8 to 10-year period:

- The Excelsior Jobs Tax Credit: A credit of 6.85 percent of wages per new job to cover a portion of the associated payroll cost.
- The Excelsior Investment Tax Credit: Valued at 2% of qualified investments.
- The Excelsior Research and Development Tax Credit: A credit of 50 percent of the Federal Research and Development credit up to 3% percent of research expenditures.
- The Excelsior Real Property Tax Credit: Available to firms locating in certain distressed areas (see Investment Zone list below) and to firms in targeted industries that meet higher employment and investment thresholds (Regionally Significant Project).

For additional info on the Excelsior Jobs Program, please go to:

<http://esd.ny.gov/BusinessPrograms/Excelsior.html>

Empire State Development

Loretta Beine, Sr. Director Industry Development, Life Sciences, Strategic Business Development

Loretta.Beine@esd.ny.gov www.esd.ny.gov

Start-Up NY

Depending on the specific project site, and in-lieu of any as-of-right or discretionary (such as Excelsior Program) business tax credits that might be available or offered, the Start-Up NY program may be available to dramatically reduce / eliminate taxes and the company's employees.

Start-Up NY is intended to create tax free areas for new and expanding businesses on SUNY and other university campuses across the state. Businesses that locate in an eligible area, and forge a relationship with an appropriate college or university, may operate 100% tax-free for 10 years, including:

- No personal income tax
- No business or corporate state or local taxes
- No sales tax
- No property tax
- No franchise fees

More information may be found at: <https://esd.ny.gov/startup-ny-program>

Rate Incentives for Utilities

Public Utilities

New York's public utilities offer various discount programs, and these vary based on the prospect's demand, connected load, etc. This incentive would be determined by and between the prospect and the appropriate utility. Utilities may also be able to provide a delivery rate discount if the company receives, and accepts, Excelsior Jobs Program benefits.

New York Power Authority (NYPA)

Electricity rate assistance through NYPA's Recharge New York (RNY) program may be made available for this project. Any allocation would be based on the project's capital investment and job creation. The term of the allocation would be for up to seven (7) years and could represent a savings of up to 70% off market rates. Any allocation offered would also be based on NYPA's standard commercial terms pertaining to similar RNY customers at the time the allocation commences, and the company would be required to report actual job levels and capital investments annually. Allocations may be proportionately reduced if these commitment levels are not achieved and maintained. The value of this incentive is TBD, but more information may be found at: <http://www.nypa.gov/RechargeNY/default.htm>.

Recruiting & Training

New York State Department of Labor (NYSDOL)

NYSDOL and its partners may be able to provide training assistance in the form of grants and other financial assistance to partially defray costs associated with recruiting, pre-screening and/or training of new employees. Grant funds and technical assistance are available from a variety of state sources, including regional Workforce Investment Boards, Community Colleges, and the NYSDOL. And in special cases, workforce training funds may also be made available by ESD. Funds from these various sources may be used for classroom or on-the-job training for new hires, including the cost of materials and supplies used directly in training and the cost of hiring outside instructors to train employees. Training may be provided both for specific job skills and high-performance work organization techniques, as well as advanced technologies and equipment.

Employee Training Incentive Program (ETIP)

The ETIP provides refundable tax credits to New York State employers for procuring skills training that upgrades or improves the productivity of their employees. Businesses can also receive tax credits for approved internship programs that provide training in advanced technology. The ETIP will make \$5 million in tax credits available to businesses annually, with up to \$1 million in credits available for approved internship programs. Credits may be awarded for costs associated with an eligible training program for current or new employees. The internship program is available for current students, recent graduates and recent members of the armed forces. Businesses could receive a credit of 50% of eligible training costs up to \$10,000 per employee receiving eligible training, and for an internship program a credit of 50% of the stipend paid up to \$3,000 per intern. The business entity must make a capital investment in connection with the training resulting in a benefit-cost ratio of at least 10:1, and demonstrate that it is operating predominantly in a strategic industry.

Other

New York State Energy & Research Development Authority (NYSERDA)

Grant, loan and/or technical assistance may be available from NYSERDA to support through this program to conduct technical assessments of energy efficiency improvements in building designs and to offset a portion of the incremental capital costs to purchase and install energy efficient equipment in these buildings to reduce energy consumption. Additional incentives and services are offered for buildings that achieve Leadership in Energy and Environmental Design (LEED®) certification. More information may be found at:

<http://www.nysERDA.ny.gov/All-Programs/Programs/New-Construction-Program>