UNIFORM TAX-EXEMPTION POLICY

The Chemung County Industrial Development Agency (CCIDA) is empowered under New York State General Municipal Law to issue Industrial Revenue Bonds and other forms of financial assistance to be used by companies to finance the purchase and improvement of land, building(s), and property(ies). The purpose of the bonds/financing is to encourage the attraction, expansion, and retention of business and industry in Chemung County.

If a project is eligible for financing under the laws of New York State and the policies established by the Chemung County Industrial Development Agency and induced by the Board of Directors, it could be eligible for sales tax, and mortgage recording tax exemptions, as well as property tax abatements as follows:

1. **Mortgage Recording Tax** – The CCIDA's policy is to permit mortgage recording tax exemptions on all project related financing to the full extent permitted by New York State Law, whether or not the agency has issued its bonds to finance the project.

2. **Sales and Use Tax Exemptions Tax** – Purchases of construction materials and equipment rentals and purchases of project related equipment, furnishings and services are made as agent for the CCIDA, and are therefore afforded full exemption from local and New York State Sales and Use taxes until the project is completed or until the date established by the CCIDA on a project-by-project basis. Operating and maintenance expenses of projects are not incurred as agent for the CCIDA, and no sales tax exemption is provided thereof.

All project applicants must agree in writing to comply with all statutory or regulatory requirements and file with New York State Department of Taxation, in form, and at times required, an annual statement of the value of all sales and use tax exemptions claimed in connection with the facility.

3. **Payments In Lieu of Taxes (PILOTS)** – Projects receiving financial assistance from the CCIDA may be eligible for an abatement of property taxes in the form of a Payment In Lieu of Tax Agreement (PILOT) acceptable to the CCIDA.

The CCIDA maintains a policy for the provision of real property tax abatements for qualified projects. The abatement applies to the value of the buildings/structures and the parcel involved.

Qualified Projects include industrial projects (i.e. manufacturing, processing, assembly, research and development, etc.) and non-industrial projects (i.e. warehouse, wholesale/distribution, commercial offices, tourist destination, commercial revitalization, etc.

The Agency will have the right, in its sole discretion and in accordance with applicable provisions of the New York State General Municipal Law, to determine whether a project is a qualified project. When evaluating whether a project is qualified for financial assistance, in addition to the applicable laws of New York State, the CCIDA will consider project factors such as:

a) The nature of the project (e.g. manufacturing, commercial, tourism, high tech, civic facility, etc.)

b) The nature of the property before the project begins (e.g. vacant land, vacant building, brownfield site, blight, adaptive reuse, etc.)

c) The economic condition of the area at the time of application and the economic multiplying effect the project will have on the community.

d) The extent to which the project will create or retain permanent, private sector jobs, the number of jobs to be created/retained, and the level of wages paid.

e) The estimated value of tax exemptions to be provided.

f) The economic impact of the project and the proposed tax exemptions on affected taxing jurisdictions.

g) The impact of the project on existing businesses in the community.

h) The amount of private investment generated by the project.

i) The effect of the project on the environment.

j) The extent to which the project will require additional services including but not limited to infrastructure, roads, transportation, education, fire protection, police protection, etc.

k) The extent to which the project will provide a benefit (economic or otherwise) to the municipality in which the project is located.

l) The extent to which the project will provide additional sources of revenue for municipalities and school districts in which the project is located.

m) The extent to which the project enhances the quality of life of people in the community (recreation, removal of blight, brownfield redevelopment).

GENERAL PROVISIONS OF PILOTS:

ELIGIBILITY – The tax abatement applies to new construction and/or value added renovations which raise the assessment value of the property. In the case of business/job retention projects, the agency may provide abatement to existing tax levies.

ASSESSED VALUE - Assessed value is established by local assessor.

PAYMENTS – Payment under the PILOT Program must be made by the project occupant (applicant) directly to the appropriate taxing entity at the time or times real property taxes must be paid, unless otherwise agreed to in writing.

Unless otherwise agreed to by the affected taxing entities, the PILOT shall be allocated among the affected jurisdictions in the same proportion as normal taxes would have been allocated but for the CCIDA’s involvement.

SPECIAL ASSESSMENTS – PILOT Program does not abate special assessments, special district taxes or other special levies**.**

RESPONSIBILITY – It is the responsibility of Applicant to make sure the local municipalities know the project is subject to the PILOT program and receive copies of any PILOT agreement.

STANDARD PILOT SCHEDULES

The CCIDA maintains a policy for the provision of real property tax abatements for qualified projects. The abatement provided generally applies to the value of the increased assessment to the existing parcel involved and the buildings/structures contained within that existing parcel.

2he standard PILOT schedules are as follows:

STANDARD/COMMERCIAL – TAXABLE BONDS/SALE LEASEBACK

TAX YEAR	ABATEMENT – NEW CONSTRUCTION/RENOVATION
1-10	50%
11	100%

MANUFACTURING – TAX EXEMPT & TAXABLE/SALE LEASEBACK

TAX YEAR	ABATEMENT – NEW CONSTRUCTION/RENOVATION
1- 15	50%
16	100%

RETAIL/TOURIST DESTINATION

TAX YEAR	ABATEMENT – NEW CONSTRUCTION/RENOVATION
1	50%
2	45%
3	40%
4	35%
5	30%
6	25%
7	20%
8	15%
9	10%
10	5%
11	0%

***SOLAR**

TAX YEAR	ABATEMENT – NEW CONSTRUCTIION/RENOVATION
1	$8,000/MW
2	$8,160/MW
3	$8,323.20/MW
4	$8,489.66/MW
5	$8,659.45/MW
6	$8,832.65/MW
7	$9,009.30/MW
8	$9,189.50/MW
9	$9,373.29/MW
10	$9,560.79/MW
11	$9,752.01/MW
12	$9,947.05/MW
13	$10,145.99/MW
14	$10,348.99/MW
15	$10,555.99/MW
16	$10,767.11/MW
17	$10,982.45/MW
18	$11,202.10/MW
19	$11,426.14/MW
20	$11,654.66/MW
21	100%

*The Solar schedule is up to maximum 20 years at the Agency's discretion.

PROCEDURES FOR DEVIATION FROM UNIFORM TAX-EXEMPTION POLICY:

The CCIDA maintains the authority to deviate from the Uniform Tax-Exemption Policy outlined above under circumstances deemed to be in the vital interests of the economic health of the community, considerable job creation or retention, whereby it can be substantiated that but for special tax abatement incentives these jobs will not be created or will be lost in the community.

All chief elected officials of affected taxing entities will be notified in writing prior to deviating from this policy.

Readopted: 12/8/2022