



COUNTY OF CHENANGO INDUSTRIAL DEVELOPMENT AGENCY UNIFORM TAX EXEMPTION POLICY

Pursuant to and in compliance with §874 of the General Municipal Law of the State of New York, as amended by Chapter 356, §17 of the 1993 Sessions Laws, the County of Chenango Industrial Development Agency does hereby adopt the following policy to be known as “UNIFORM TAX EXEMPTION POLICY”.

I

APPLICABILITY

This policy shall be applicable to all grants of financial assistance by the Agency pursuant to §859-a of the General Municipal Law to project applicants. The term “financial assistance” as used herein shall mean real property tax exemptions, mortgage tax exemptions and sales or use tax exemptions authorized pursuant to §874 of the General Municipal Law and §412-a of the Real Property Tax Law, as existing and as amended in the future from time to time.

II

TYPES OF PROJECTS

This policy shall be applicable to any proposed project which the Agency is authorized by law to undertake and shall be applicable to all property, both real and personal, acquired by the Agency or under its jurisdiction, control or supervision.

III

GUIDELINES

In determining whether a project applicant shall be granted an exemption from real property taxes, mortgage recording taxes and sales or use taxes, the Agency shall consider the following factors:

- a. The extent to which a project will create or retain permanent, private sector jobs in Chenango County.
- b. The estimated value of any tax exemptions to be provided.
- c. Whether affected tax jurisdictions shall be reimbursed by the project occupant if a project does not fulfill the purposes for which an exemption was provided.
- d. The impact of the proposed project on existing and proposed businesses and economic development projects in the vicinity of the proposed project.
- e. The amount of the private sector investment generated or likely to be generated by the proposed project.
- f. The demonstrated public support for the proposed project.
- g. The likelihood of accomplishing the proposed project in a timely fashion.
- h. The effect of the proposed project on the environment.
- i. The extent to which the proposed project will require the provision of additional services, including, but not limited to additional educational transportation, police, emergency medical or fire services.
- j. The extent to which the proposed project will provide additional sources of revenue for municipalities and school districts.

IV

EXTENT OF EXEMPTION

After due consideration of the aforesaid guidelines, the Agency shall determine to grant no exemption, a total exemption or a partial exemption from one or more of the aforesaid taxes. When the Agency determines to grant a total exemption it shall so notify the chief executive official of each affected tax jurisdiction within 15 days of the making of the determination. When the Agency determines to grant a partial exemption from one or more of the aforesaid taxes, it shall require the project applicant to enter into a payment in lieu of tax agreement (PILOT) with each of the affected tax jurisdictions. The term "affected tax jurisdiction" as used herein, shall mean any municipality or school district in which a project is located, which will fail to receive real property tax payments, or other tax payments which would otherwise be due, except for the tax exempt status of the Agency involved in the project.

V

PILOT AGREEMENT

When the Agency requires a PILOT agreement, the Agency shall determine whether said agreement shall be negotiated by the Agency on behalf of a project applicant or by the project applicant itself.

(1) The following guidelines shall govern the form and substance of a PILOT agreement:

a. Each PILOT agreement shall be in writing and signed by a duly authorized official of the affected tax jurisdiction and the party agreeing to make payments in lieu of taxes.

b. The PILOT agreement, in addition to such other terms as the parties may agree, shall state:

i. The type of taxes for which payments in lieu thereof are to be made;

ii. The percentage of exemption;

iii. The period of the exemption;

iv. The amount due annually to each affected tax jurisdiction or a formula by which the amount due can be calculated:

v. The procedure for the making of the payments in lieu of taxes and the procedure for remitting the payment to each affected tax jurisdiction, together with the name and address of the person, office or agency to which payment shall be delivered. Payments in lieu of taxes received by the Agency shall be remitted to each affected tax jurisdiction within thirty days of receipt;

vi. The date on which payment shall be made and the date on which payment shall be considered delinquent and subject to penalty and interest if not paid. Payments in lieu of taxes which are delinquent or not remitted shall be subject to a late payment penalty of five percent of the amount due which shall be paid by the project occupant (where taxes are delinquent because of the occupant's failure to remit to the affected tax jurisdiction at the time the payment in lieu of taxes is paid). For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall accrue to and be paid to the affected tax jurisdiction on the total amount due plus a late payment penalty in the amount of one percent per month until the payment is made.

(2) Unless otherwise agreed by the affected tax jurisdictions, the agreement shall provide that payments in lieu of taxes shall be allocated among affected tax jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected tax jurisdiction had the project not been tax exempt due to agency involvement in the project.

(3) The Agency shall submit to the assessor of the affected tax jurisdiction on or before the taxable status date an application for exemption on form EA-412-a with a copy of the PILOT agreement attached thereto.

(4) The Agency shall mail a copy of the PILOT agreement and a copy of the form EA-412-a to the chief elected official of each school district, city, county, town and village within which the project is located within 15 days of signing or before the taxable status date for the year for which the exemption is first claimed, whichever is sooner.

(5) The term “payment in lieu of taxes” as used herein, shall mean any payment made to the Agency, or affected tax jurisdiction equal to the amount, or a portion of, real property taxes, or other taxes, which would have been levied by or on behalf of an affected tax jurisdiction if the project was not exempt by reason of Agency involvement.

(6) Administrative Fee. In those instances where a PILOT agreement requires the project applicant to remit its payments in lieu of taxes to the Agency, an administrative fee may be charged the project applicant by the Agency. The amount of such fee shall be as mutually agreed by the Agency and the payment applicant.

VI

DEVIATION FROM POLICY

It is the intent of the Agency to adhere to these guidelines in all cases. However, in recognition of the possibility that special circumstances may arise requiring a deviation from this policy, a project applicant may make a request to be granted an exemption from one or more provision of this policy. Such a request shall be in writing to the Agency and the applicant shall set forth in specific language the provisions from which the applicant is seeking a deviation and the specific reasons therefore. The Agency shall require the applicant to furnish such data and information as it deems necessary to enable the Agency to determine whether the requested deviation should be granted or denied.

The Agency shall set forth in writing the reasons for a deviation from this policy and shall notify the affected taxing jurisdictions of the deviation from policy and the reasons therefore.

VII

AGENTS

Agents of the Agency, project operators or agents of project operators shall annually file a statement with the NYS Department of Taxation and Finance, on a form and in such a manner as is prescribed by the Commissioner of Taxation and Finance, of the value of all sales and use tax exemption claimed by such agents or agents of such agents or project operators, including, but not limited to, consultants or subcontractors of such agents or project operators. The penalty for failure to file such statement shall be the removal of authority to act as an agent of the Agency.

VII

AMENDMENT

This policy may be amended by resolution of the Agency. Whenever such amendment is proposed the Agency shall solicit input and comments from the affected tax jurisdictions.

IX

EFFECTIVE DATE

This policy shall be effective immediately.