

## IDA Quick Facts:

- An IDA is a non-profit organization chartered by the state and sponsored by a political jurisdiction to provide bond financing and economic incentives for public benefit and encourage and strengthen business development.
- Regional IDAs: County of Clinton IDA and Town of Champlain IDA

For More Information Visit:

<http://www.clintoncountyida.com/Clinton-IDA/clinton.html> or

<http://www.clintoncountyida.com/Champ-IDA/champ.html>

## IDA Incentives:

Revenue Bond Financing	Straight-Leaseback Transactions
<ul style="list-style-type: none"> <li>■ IDAs can offer tax-exempt Industrial Revenue Bonds (IRBs) to qualified projects.</li> <li>■ Eligible Projects Include: Manufacturing Facilities; Purchase &amp; Rehabilitation of existing buildings, constructing of new buildings or additions thereto; and Financing of machinery &amp; equipment in conjunction with construction, rehabilitation or additions to a facility.</li> </ul>	<ul style="list-style-type: none"> <li>■ IDAs are authorized to undertake a transaction whereby the Agency takes title, possession or control of a property or a project, thereby entitling such property to be exempt from taxation, even though no financial assistance in the form of proceeds of bonds issued by the IDA is provided to the project occupant.</li> <li>■ Projects must be manufacturing or industrial in nature or provide a public benefit to the community</li> </ul>
Payment-in-lieu-of-Taxes (PILOT)	Mortgage Recording and Sale Tax
<ul style="list-style-type: none"> <li>■ A project may qualify for a PILOT if it meets the eligibility criteria. An agreement is entered into between the IDA and applicant whereby the applicant agrees to make payments in lieu of taxes for which they would otherwise be liable if it were not an IDA project.</li> </ul>	<ul style="list-style-type: none"> <li>■ Both IRBs and Straight-Leaseback Transactions projects are exempt from the Mortgage Recording Tax and NYS Sales Tax.</li> </ul>

## Typical 10-year PILOT Agreement:

Tax Year Commencing during Fiscal Year	Percentage of Normal Tax
1	50%
2	55%
3	60%
4	65%
5	70%
6	75%
7	80%
8	85%
9	90%
10	95%
Year 11 and thereafter during the term of the PILOT Agreement	100%

\*For large projects, richer PILOT Agreements are considered based on established criteria.

