Department of Taxation and Finance

IDA Annual Compliance Report State Sales Tax Recapture

ST-62 (1/18)

For IDA fiscal year ending 12 31 20 (mmddyy)

Due within 90 days of the end of each fiscal year.

IDA information

Name of IDA		
Cortland County Industrial Development Agency		
Street address: 40 Main Street Suite A	Telephone number: (607) 756-5005	
City: Cortland	State: NY	ZIP code: 13045

Terms and conditions for the recapture of state sales tax exemption benefits for projects established, amended, or extended on or after March 28, 2013

1 Did the IDA provide state sales tax exemption benefits to any project established, amended, or extended during the fiscal year entered above? ..... 1 Yes ☒ No ☐

If *Yes,* continue below.
If *No,* skip to question 3.

2 When an IDA establishes a project, appoints an agent/project operator, or amends or extends a project established in a prior year, the IDA must include terms and conditions for the recapture of state sales tax exemption benefits in its resolutions and project documents. This applies to all projects established, amended, or extended on or after March 28, 2013 *(see instructions)*.

Did the IDA **use the same terms and conditions** regarding the recapture of state sales tax exemption benefits in the project documents for each of its projects (as described above)? ..... 2 Yes ☒ No ☐

If *Yes,* attach a copy of the terms and conditions used.

If *No,* attach a copy of each version used. Be sure to identify the projects to which each version of the terms and conditions relate.

If the IDA did **not** include terms and conditions for the recapture of state sales tax exemption benefits in the project documents, attach a list of these projects *(see instructions)*.

Activities and efforts to recapture state sales tax exemption benefits for projects established, amended, or extended on or after March 28, 2013

3 Did the IDA make efforts to recapture any state sales and use tax exemption benefits from an agent, project operator, or other person or entity *(see instructions)*? ..... 3 Yes ☐ No ☒

If *Yes,* continue below.
If *No,* skip question 4 and complete the *Certification* below.

4 Did the IDA file Form ST-65, *IDA Report of Recaptured Sales and Use Tax Benefits*, for each recapture, and remit the funds to the Tax Department? ..... 4 Yes ☐ No ☐

If *Yes,* you must keep a copy of Form ST-65 and supporting documentation related to the recapture activities.
If *No,* attach an explanation of the IDA's recapture efforts *(see instructions)*.

Certification

I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of person signing on behalf of the IDA	Print title of person signing on behalf of the IDA	
Karen Niday	CFO	
Signature: Karen Niday	Date: 03-08-2021	Telephone number: (607) 756-5005

Mailing instructions

Mail completed form and attachments to:

NYS TAX DEPARTMENT
IDA UNIT
W A HARRIMAN CAMPUS
ALBANY NY 12227-0866

If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services.*

Instructions

Filing requirements

Every IDA must file this compliance report every year. The report must include:

- the terms and conditions for the recapture of state sales tax exemption benefits (as described in General Municipal Law (GML) section 875(3)) within all of the IDA's resolutions and project documents. This applies to:
  - projects established and agents or project operators appointed, and any financial assistance or agreement for payments in lieu of taxes provided, on or after March 28, 2013; and
  - any amendment or revision for additional funds or benefits made on or after March 28, 2013, to projects established, agents or project operators appointed, financial assistance provided, or payments in lieu of taxes provided, prior to March 28, 2013.
- information about efforts the IDA has made to recover, recapture, receive, or obtain any state sales tax exemption benefits and payments in lieu of state sales taxes from an agent/project operator, or other person or entity.

Every IDA must file Form ST-62 within 90 days of the end of each fiscal year.

The term *state sales tax* as used in this form includes both state sales tax and the state use tax.

For more information, see TSB-M-14(1.1)S, *Sales Tax Reporting and Recordkeeping Requirements for Industrial Development Agencies and Authorities.*

Any IDA that fails to file or substantially complete this report may lose its authority to provide state sales tax exemption benefits.

Terms and conditions for the recapture of state sales tax exemption benefits

Line 2 – If the IDA:

- **used the same** standard terms and conditions for the recapture of state sales tax exemption benefits in the project documents for all projects covered by this report, attach a copy of the terms and conditions used. You are **not** required to attach the entire document. Attach only the sections describing the state sales tax recapture requirements described in GML section 875(3).
- **used different** terms and conditions for the recapture of state sales tax exemption benefits in the project documents for the projects covered by this report, attach a copy of the terms and conditions used and identify the project(s) to which they relate. Be sure to include the project name and address, and the legal name and EIN of the agent or project operator for each project identified.
- provided state sales tax exemption benefits **but did not include** terms and conditions for the recapture of those benefits, attach a list of these projects. Include the project name and address, the legal name and EIN of the agent or project operator, and the reason why terms and conditions regarding recapture were not included.

Activities and efforts to recapture state sales tax exemption benefits

The GML requires that each IDA recapture state sales tax exemption benefits that were claimed by a project operator or agent, or other person or entity, whenever the benefits were:

- not entitled or authorized to be taken,
- in excess of the amounts authorized,
- for unauthorized property or services, or
- for property or services not used according to the terms of the agreement with the IDA.

See Form ST-65, *IDA Report of Recaptured Sales and Use Tax Benefits,* for more information.

IDAs must remit recaptured state sales tax benefit amounts to the Tax Department within 30 calendar days, using Form ST-65.

Line 4: If the IDA made efforts to recapture sales tax exemption benefits during the fiscal year covered by this report and **has not filed** Form ST-65, attach an explanation.

The attachment must include:

- name and address of the project and project number;
- legal name, EIN, and address of the agent/project operator, or other person or entity;
- project beginning and end dates;
- the basis for recapture, as described above;
- date of recapture efforts;
- amounts identified as required to be recaptured; and
- amount recaptured, if different.

When identifying recapture amounts, be sure to break down the total dollar amount into the categories below:

- state tax,
- local tax,
- MCTD tax (if applicable),
- penalties, and
- interest.

If the amount recaptured was not paid in full, also include copies of correspondence exchanged between the IDA and the agent/project operator, or other entity or person regarding the recapture efforts.

Need help?

Visit our website at ***www.tax.ny.gov.***

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obtaining from the New York State Department of Taxation and Finance any updated or revised versions of such Annual Report.

(C) The Company agrees to furnish to the Agency a copy of each such Annual Report submitted to the New York State Department of Taxation and Finance by the Company pursuant to Section 874(8) of the Act.

(D) Pursuant to Section 874(9) of the Act, the Company agrees to file within thirty (30) days of the Closing Date with the New York State Department of Taxation and Finance, on a form and in such manner as is prescribed by the New York State Commissioner of Taxation and Finance (the "Thirty-Day Sales Tax Report"), a statement identifying the Company as agent of the Agency, setting forth the taxpayer identification number of the Company, giving a brief description of the goods and/or services intended to be exempted from sales taxes as a result of such appointment as agent, indicating a rough estimate of the value of the goods and/or services to which such appointment as agent relates, indicating the date when such designation as agent became effective and indicating the date upon which such designation as agent shall cease. A current sample form of such Thirty-Day Sales Tax Report required to be completed by the Company pursuant to this Lease Agreement is attached hereto as Exhibit "H". For future filings of the Thirty-Day Sales Tax Report, the Company is responsible for obtaining from the New York State Department of Taxation and Finance any updated or revised versions of such Thirty-Day Sales Tax Report.

SECTION 8.13. SALES AND USE TAX RECAPTURE. Pursuant to Section 875(3) of the Act, the Agency shall recover, recapture, receive, or otherwise obtain from the Company that portion of the Financial Assistance which constitutes state sales and use tax exemptions taken or purported to be taken by the Company to which the Company is not entitled or which are in excess of the amount authorized by the Agency or which are for property or services not authorized by the Agency as part of the Project or were taken by the Company when the Company failed to comply with a material term or condition to use property or services in the manner required by the Basic Documents. The Company shall cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such state sales and use tax exemptions and shall promptly pay over any such amounts to the Agency. In addition to constituting an Event of Default hereunder, the failure to pay over such amounts to the Agency shall be grounds for the New York State Commissioner of Taxation and Finance to assess and determine state sales and use taxes due from the Company under Article 28 of the Tax Law of the State of New York, together with any relevant penalties and interest due on such amounts.

SECTION 8.14. IDENTIFICATION OF THE EQUIPMENT. All Equipment which is or may become part of the Project Facility pursuant to the provisions of this Lease Agreement shall be properly identified by the Company by such appropriate records, including computerized records, as may be approved by the Agency.