



# IDA Annual Compliance Report State Sales Tax Recapture

For IDA fiscal year ending 12 31 18  
(mmddyy)

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

### IDA information

Name of IDA County of Orleans Industrial Development Agency		
Street address 121 North Main Street		Telephone number ( 585 ) 589-7060
City Albion	State NY	ZIP code 14411

### 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 James Whipple		Print title of person signing on behalf of the IDA CEO	
Signature 	Date 03-26-2019	Telephone number ( 585 ) 589-7060	

### 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.

#### 8.4 Limitation on Sales Tax Exemption.

(a) Any exemption from Sales Taxes from or occasioned by Agency involvement with the Project shall be limited to purchases of Exempt Property by or for the Company as agent for the Agency which do not exceed the amounts authorized in the Inducement Resolution, it being the intent of the parties that no operating expenses of the Company and no purchases of equipment or other personal property (other than Exempt Property) shall be subject to an exemption from Sales Taxes because of Agency involvement with the Project. Nothing herein shall be construed as a representation by the Agency that any property included within the definition of Exempt Property is, in fact, exempt from Sales Taxes. The Company shall report to the Agency, at such times as the Agency shall require, or as may otherwise be prescribed by the Commissioner of the New York State Department of Taxation and Finance (the "Commissioner"), the value of all Sales Tax exemptions claimed by the Company or agents of the Company or any operators of the Project, including, but not limited to, consultants or subcontractors of such agents or Project operators under the authority granted pursuant to this Agreement and the Inducement Resolution. A failure to report may result in the revocation of the designation of the Company as agent and repayment of any Sales Tax exemptions claimed.

(b) In addition to the reports required under Section 8.4(a) above, the Company shall annually file, and shall cause any operator of the Project to annually file, a statement with the New York State Department of Taxation and Finance, on a form and in a manner as is prescribed by the Commissioner, of the value of all sales and use tax exemptions claimed by the Company or agents of the Company or any operators of the Project, including, but not limited to, consultants or subcontractors of such agents or Project operators, under the authority granted pursuant to this Agreement (the "Sales Tax Exemption Report"). The Company shall deliver a copy of the Sales Tax Exemption Report to the Agency, simultaneously with the Company's filing of the same with the New York State Department of Taxation and Finance. Should the Company fail to comply with the foregoing requirement, the Company shall immediately cease to be the agent for the Agency in connection with the Project (such agency relationship being deemed to be immediately revoked) and shall cease to be an operator of the Project without any further action of the parties, and the Agency shall be authorized to immediately reconvey the Project to the Company pursuant to Section 2.4 of this Agreement.

#### 8.5 Termination, Modification and/or Recapture of Tax Benefits.

(a) In addition to the rights of the Agency under Section 5.11 of this Agreement, in the event the Company ceases to operate the Project (as contemplated by and determined in accordance with Section 5.11 of this Agreement) or if there occurs a material non-compliance with or breach of the terms of this Agreement or any other document executed and delivered by the Company in connection therewith (collectively, the "Project Documents"), the Agency may in its sole discretion, (i) revoke the designation of the Company and any agents of the Company (including, but not limited to, consultants, sub-contractors or equipment lessors of the Company) as agents for the Agency in connection with the Project and terminate the exemption from New York State and local sales and use taxes conferred with respect to the Project and/or (ii)

require that the Company, commencing with the tax fiscal year next following such cessation of or change in operations or breach, make payments in lieu of taxes on the Project with respect to all applicable taxing authorities in such amounts as would be payable as real estate taxes levied on the Project if the Agency did not have an interest in the Project and/or (iii) require that the Company pay to the Agency an amount equal to all or a portion (as determined by the Agency in its discretion) of the total value of (x) all sales tax exemptions claimed by the Company and any agents of the Company, including, but not limited to, consultants, sub-contractors, or any equipment lessors of the Company under the authority granted under the Inducement Resolution, (y) any exemption from Real Estate Taxes received by reason of the Agency's leasehold interest in the Project and/or (z) any exemption from mortgage recording tax received by reason of the Agency's involvement with the Project. If the Agency makes any of the foregoing determinations and requires a repayment of all or a portion of the financial assistance received by the Company, the Company agrees and covenants that it will (i) cooperate with the Agency in its efforts to recover or recapture any or all financial assistance obtained by the Company and (ii) promptly pay over any or all such amounts to the Agency that the Agency demands in connection therewith. Upon receipt of such amounts, the Agency shall then redistribute such amounts to the appropriate affected tax jurisdiction(s), unless otherwise agreed to by any affected tax jurisdiction.

(b) In addition, in the event, because of the involvement of the Agency, the Company claims an exemption from the New York State portion of any Sales Taxes in connection with the Project, and such exemption is claimed with respect to property or services not authorized hereunder or under the Inducement Resolution, or which exemption is in excess of the amounts authorized hereunder or under the Inducement Resolution, or is otherwise not permitted under this Agreement or the Inducement Resolution, or if the Company shall fail to comply with a material term or condition regarding the use of property or services acquired by the Company as agent for the Agency as set forth in this Agreement, the Inducement Resolution or in any other Project Document, then the Company shall be required to remit to the Agency an amount equal to the amount of New York State portion of any Sales Taxes for which such exemption was improperly claimed. A failure to remit such amounts may result in an assessment against the Company by the Commissioner of the New York State portion of any Sales Taxes, together with any relevant penalties and interest.

(c) The rights of the Agency pursuant to this Section 8.5 and the obligation of the Company to cooperate with the Agency in its exercise of such rights shall survive the termination of this Agreement.