



**EXCELSIOR JOBS PROGRAM
SUMMARY OF THE PROGRAM/FREQUENTLY ASKED QUESTIONS**

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1. What is the Excelsior Jobs Program (EJP)?
 - a. The EJP is the replacement for the Empire Zone Program (EZ), which stopped accepting new applications on June 30, 2010.

2. When does the EJP start?
 - a. If you qualify to participate in the program you can start to receive benefits with the filing of your 2011 income tax return.

3. Do I have to be located in a zone?
 - a. Any business operating in a "targeted industry" that is located in New York State (NYS) or that will be located in NYS can apply for the program.

4. What are the "targeted industries"?
 - a. The "targeted industries" are biotechnology, pharmaceutical, high-tech, clean technology, green technology, financial services data centers or back office operations, agriculture, distribution centers and manufacturing.

5. If I am in a targeted industry, how do I enter the EJP?
 - a. You must complete an application and submit it the local Empire State Development (agency administering the program) office. There are also job creation and/or investment commitments that must be met in order to qualify for the program, which are industry specific.

Strategic Industry	Three Excelsior Tax Credits*	Excelsior Tax Credits with Real Property Tax Credit
Manufacturing	25 Jobs Created (JC)	25 JC in zone (the old EZ**) or 50 JC w/ significant investment
Agriculture	10 JC	10 JC in zone or 20 JC with significant investment
Financial services data center/back office	100 JC	100 JC in zone or 300 JC with significant investment
Scientific R&D	10 JC	10 JC in zone or 20 JC with significant investment
Software development	10 JC	Zone only
Back office operations/distribution centers	150 JC	150 JC in zone or 300 JC with significant investment

*The "Three Excelsior Tax Credits" are the Jobs, Investment and R&D Tax Credits

**EZ - The old Empire Zone Program

6. If I have an established business in a "targeted industry" that will not realize a significant increase in employment in the near future, can I still qualify for the program?
 - a. Yes, if you retain at least 50 jobs in NYS and you make significant investments that are equal to at least ten times your projected credit benefit.
7. If my business is not in a "targeted industry", can I still qualify for the program?
 - a. Yes, if you create at least three hundred jobs and make capital investments of at least \$30 million.
8. When do the job creation and investment requirements need to be met?
 - a. They need to be met by the timeframe detailed in your application and you will not start to receive benefits until these requirements are met.
9. When can applications be submitted?
 - a. Applications are currently being accepted and barring future legislation will continue to be accepted through the end of 2015.
10. What benefits will I receive and how long will they last?
 - a. As long as you meet the job creation and investment requirements you will be eligible to receive the following benefits for five consecutive tax years:
Please Note: This is a discretionary program and benefit
 - i. Jobs Tax Credit - \$2,500 to \$5,000 for each new job created in NYS
 - ii. Investment Tax Credit - 2% of the cost or basis of a qualified investment in NYS
 - iii. Research and Development (R&D) Tax Credit - 10% credit based upon the Federal R&D credit for R&D expenditures conducted in NYS
 - iv. Real Property Tax Credit - a refund of a portion of your real estate taxes paid
 1. This credit is only available to businesses located in investment zones or businesses that meet higher job creation and investment requirements as detailed in the chart above.
11. If my business qualifies for the program, when should I apply?
 - a. You should apply as soon as possible as there is an annual cap of \$250 million on program benefits. Additionally, you need to be accepted into the program before the required jobs and or investments are made as one of the eligibility criteria is that the project or investment will not occur or will occur outside of NYS without receipt of the income tax benefits provided under the EJP. In order to qualify for the program, the application will need to be submitted during the planning process of a business start-up or expansion.



Cory, a principal in our tax department is an experienced tax professional responsible for development and implementation of tax engagement strategies. He devotes his professional time to tax matters in the areas of business development credits such as the Excelsior Jobs Program, Empire Zone and the Renewal Community Zone, compliance, research, transaction structuring and family planning. Cory has experience in all areas of U.S. Federal and New York State Taxation. He has been with Lumsden & McCormick since 2001 and is a graduate of Niagara University. Cory is a member of the American Institute of Certified Public Accountants, New York State Society of Certified Public Accountants, and the Niagara University Accounting Advisory Board. He is

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