



NEW YORK STATE SENATOR

Charles J. Fuschillo Jr.

## Senator Fuschillo Announces New “Start-Up NY” Economic Development Legislation Signed Into Law

CHARLES J. FUSCHILLO JR. June 28, 2013

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Senator Charles J. Fuschillo, Jr. (R-Merrick) recently announced that legislation he supported to create jobs and promote economic development has been signed into law by Governor Andrew Cuomo. The START-UP NY legislation will create tax-free areas around the state’s colleges, universities and other designated areas, as well as address the need for regulatory relief for businesses.

“Creating jobs and promoting economic development must remain top priorities to keep New York State headed in the right direction. Utilizing Long Island’s colleges as economic development engines through the START-UP NY program will help attract new businesses, create jobs, and strengthen our economy,” said Senator Fuschillo.

The START-UP New York program will create tax-free areas around the state’s colleges and universities. Tax-free areas will encompass vacant land or space on the campus of SUNY schools and community colleges. Under the program, businesses will be virtually exempt from all taxes for 10 years, including the following:

- No corporate income and no personal income taxes on business income;
- No sales and use taxes on personal tangible property and services purchased by businesses;
- No real property taxes due on property owned by a college or university; and
- Employees working at the business will be authorized to claim a personal income tax deduction equal to the wages earned from the business in the tax-free area.

The personal income tax deduction will apply to all wages and salaries in the first five years of tax benefits. In the remaining five years, for single individuals, heads of households, and married couples the deduction will apply to the first \$200,000, \$250,000, and \$300,000 of wages, respectively. The total number of new employees eligible for the personal income tax deduction will be capped at 10,000 per year.

At SUNY schools and community colleges on Long Island, tax-free areas will be for on-campus projects, and businesses locating in the tax free areas will have to be high-tech/bio-tech or start-ups. In addition, there will be up to 75,000 square feet in both Nassau and

Suffolk Counties eligible for similar tax free areas at private colleges.

In addition, the legislation broadens the authority of the Mandate Relief Council to permit the council to review and determine whether regulatory mandates on businesses are unsound, burdensome or too costly. Businesses and local governments will be able to request that the renamed Mandate and Regulatory Relief Council conduct such a review of specific statutes, regulations or rules.