

19. Lower Manhattan Tax Exemption

- a. The legislation extends the sales and use tax exemptions for qualifying leases in certain areas of Lower Manhattan for two years.

Subpart A of Part GG of Chapter 59 of the Laws of 2014 extends the Sales Tax incentives for businesses to locate or relocate their offices and employees in the two eligible areas (as defined in Tax Law section 1115(ee)(7)(D)) in lower Manhattan. This part extends by two years the cutoff date by which a qualifying commercial office space lease must commence. For purposes of a lease in the eligible area that is generally bounded by Murray Street on the north, this date is extended from September 1, 2013 to September 1, 2015. For a lease in the eligible area that generally consists of the World Trade Center site, World Financial Center and Battery Park City area, this date is extended from September 1, 2015 to September 1, 2017.

This part also extends the sunset date of the Sales Tax exemptions in Tax Law section 1115(ee) by two years. The exemptions for qualifying purchases in the eligible area generally below Murray Street now expire on December 1, 2016 and the exemptions for qualifying purchases in the World Trade Center site, World Financial Center and Battery Park City eligible area now expire on December 1, 2018.

These changes take effect immediately and are deemed to have been in full force and effect after August 31, 2013.