

COVID-19 Sales Tax Equipment Relief Program

Program Overview

The Suffolk County IDA (SCIDA) is launching a COVID-19 Sales Tax Equipment Relief Program, which will grant sales and use tax exemptions of up to \$100,000 to manufacturers, suppliers, and distributors of personal protective equipment (PPE) and other COVID-19 recovery products. These products may be used by health care and medical providers, first responders, home health aides, patients, businesses for general use and residents for personal use; medical and hospital equipment, disinfectants, sterilizers and sanitizer equipment, products and chemicals; and medicine and pharmaceutical products and over-the-counter drugs to be used in the treatment and prevention of COVID-19.

The Program will apply to the acquisition and installation of machinery and equipment, including, manufacturing and production equipment, material handling equipment, racking, shelving, storage and sorting equipment, computers, hardware, software and telecommunication equipment, as well as the renovations and/or repairs of existing buildings and facilities necessary for the installation and operation of such machinery and equipment. In addition, the equipment and other purchases under this Program must be physically located in Suffolk County in accordance with New York State Law.

Criteria

Open to all businesses in Suffolk County who are currently engaged in or beginning to manufacture, supply and/or distribute such products for the treatment or prevention of COVID-19.

Benefits

- Exemption from State and County Sales Tax of 8.625% on eligible purchases.
- Streamlined IDA process with no fees charged.
- Benefit would be up to \$100,000 in sales tax exemption (Up to \$1,159,420 in eligible purchases).
- The sales and use tax exemptions benefit will apply to eligible purchases made in the six (6) month period beginning with the signing of the required program agreements. The six (6) month period may be extended by the IDA.
 - **Example** - You need to purchase \$25,000 in sorting equipment, shelving and racking. Your benefit would be \$2,156.25 (\$25,000 x 8.625%).
 - **Note** - that you can have costs exceeding \$1,159,420.29, however the IDA's benefit will be provided up to that first \$100,000 in taxes exempted.

Requirements

1. Eligible businesses will be required to complete an application, which includes signing a certification form.
2. Eligible businesses will be required to enter into an equipment lease and project agreement (the "Agreement") between the SCIDA and your business.
3. At the end of the 6-month program period, businesses that participate in the program will be required to submit evidence of total project costs and total exempted sales and use taxes.
4. Required documents include:
 - a. a complete and accurate application
 - b. a fully executed equipment lease and project agreement
 - c. an ST-60 form, which the IDA will file with NY State after the agreements have been executed
 - d. an ST-340 form, which the business must file with NY State at the culmination of the agreement

For applicants who need to build or acquire new buildings or expand existing facilities or who need more than \$100,000 of sales and use tax exemptions or other benefits, SCIDA has other existing programs that are available to assist such applicants. Interested companies should contact the SCIDA by emailing info@suffolkida.org (preferred method) or call 631.853-4802.