



### Governor Cuomo Proposes Tax-Free Zones

Syracuse, New York

May 2013

On May 22, 2013, Governor Cuomo unveiled a new economic development proposal intended to create tax free zones for qualified new businesses operating near SUNY campuses, designated private colleges and certain state owned properties for a period of up to ten years. The “Tax-Free NY” proposal is intended to transform SUNY campuses and university communities within New York State into tax-free communities to attract start-ups, venture capital, new business and investment.

Few details are available but the Governor’s Office has released highlights of the “Tax-Free NY” initiative that include:

1. **Establishment of Tax-Free Communities:** Under the proposed program, qualifying businesses in the designated zones will be tax free -- exempt from sales, property, and/or business/franchise/corporate taxes. According to the information released, the zones consist 120 million square feet of space on SUNY campuses, private colleges and certain designated state properties. The tax-free communities include up to 200,000 square feet surrounding the campus at SUNY institutions.
2. **Employees Exempt from Income Taxes:** Employees of businesses that qualify as Tax-Free NY communities will be exempt from paying income taxes under the proposed program.
3. **Businesses Eligible for Tax-Free NY:** Eligible businesses include companies with a relationship to the academic mission of the university and companies creating new jobs, including new businesses, out-of-state businesses that relocate to New York and existing businesses that expand their New York operations while maintaining their existing jobs.

The economic impact for university communities, including 64 SUNY campuses and private colleges, may be significant. The Governor’s office reports:

- 93% of New Yorkers live within 15 miles of a SUNY campus
- 97% of New Yorkers live within 20 miles of a SUNY campus
- 100% of New Yorkers live within 30 miles of a SUNY campus

The proposal will need to pass the New York State Legislature, with only four weeks remaining in the current legislative session.

For additional information and to discuss how this new program can benefit your business development plans, please contact:



**Timothy M. Lynn, Esq.**  
**tlynn@bhlawpllc.com**  
**315.701.6426**



**Eva Wojtalewski, Esq.**  
**ewojtalewski@bhlawpllc.com**  
**315.701.6387**