



EXCELSIOR JOBS PROGRAM OVERVIEW

Overview

The Excelsior Jobs Program will provide job creation and investment incentives to firms in such targeted industries as biotechnology, pharmaceutical, high-tech, clean-technology, green technology, financial services, agriculture and manufacturing. Firms in these strategic industries that create and maintain new jobs or make significant financial investment will be eligible for up to four new tax credits. The Program will encourage businesses to expand in and relocate to New York while maintaining strict accountability standards to guarantee that businesses deliver on job and investment commitments. Program costs are capped at \$250 million annually to maintain fiscal affordability and ensure that New Yorkers realize a positive return on their investment.

Tax Credits

Firms in the Excelsior Jobs Program may qualify for four new, fully refundable tax credits. Businesses claim the credits over a five year period. To earn any of the following credits firms must first meet and maintain the established job and investment thresholds outlined in Program Eligibility below:

The Excelsior Jobs Tax Credit: A credit of up to \$5,000 per new job to cover a portion of the associated payroll cost.

The Excelsior Investment Tax Credit: Valued at two percent of qualified investments.

The Excelsior Research and Development Tax Credit: A ten percent credit for new investments based on the Federal Research and Development credit.

The Excelsior Real Property Tax Credit: Available to firms locating in certain distressed areas and to firms in targeted industries that meet higher employment and investment thresholds.

Program Eligibility

The Program is limited to firms making a substantial commitment to growth – either in employment or through investing significant capital in a New York facility. The Job Growth Track makes-up 75% of the Program and includes all firms in targeted industries creating new jobs in New York. Twenty-five percent is set aside for the Investment Track firms who have at least 50 employees and make significant new capital investments in a New York facility and which meet a benefit-cost threshold of at least \$10 of investment and new wages for every \$1 of tax credit.



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As detailed in the charts below, every firm in the program is eligible to apply for the Jobs Tax Credit, the Investment Tax Credit, and the R&D Tax Credit. Only certain categories of firms are eligible to also apply for the Real Property Tax Credit.

No benefits will be provided if a firm fails to meet its job and investment commitments.

Job Growth Track Minimum Employment Increases for Participants		
Strategic Industry	Three Excelsior Tax Credits	Excelsior Tax Credits with Real Property Tax Credit*
Manufacturing	25	25 in Investment Zone OR 50 with significant investment
Agriculture	10	10 in Investment Zone OR 20 with significant investment
Financial services data center/ financial services back office	100	100 in Investment Zone OR 300 with significant investment
Scientific R&D	10	10 in Investment Zone OR 20 with significant investment
Software development including new media	10	In Investment zone only
Back office operations/ distribution centers	150	150 in Investment Zone OR 300 with significant investment

* See Investment Zone list below

Investment Track Firms in Strategic Industries who make significant capital investment & have and retain at least 50 employees
Minimum Benefit Cost Ratio = 10:1
Total investment, wages and benefits : Excelsior Jobs Program Tax Credits



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Application Process

A firm must apply to ESD with its plan for expansion or growth. Based on that plan, ESD will calculate the maximum potential tax credits over a 5-year period, based on:

- Projected capital investment
- Amount of salary & benefits expected to be paid to new employees
- R&D expenditures
- For certain firms and in certain areas, property taxes paid on the facility

Within the available credits each year, ESD will enter into a formal agreement with the firm that clearly states the tax credits as well as the job and investment requirements for each year. Firms that meet all obligations in the agreement will be issued a certificate allowing them to claim eligible tax credits.

Accountability and Transparency

In each year from 2011 through 2015, ESD shall commit \$250 million in tax credits to firms in the Excelsior Jobs Program. The Program's total lifetime value is \$1.25 billion. A firm may only claim tax credits after demonstrating that its job and investment promises have been met.

ESD will post online quarterly reports providing information both on program statistics and individual participant performance.