



### ANNUAL PILOT COMPLIANCE REVIEW PROCESS

---

- 1) In January, using the Project Tracking System, identify all COMIDA projects that received sales and mortgage exemptions and real property tax abatements during the prior year.
- 2) Cross reference with County Tax bills received from the Department of Treasury and mortgage tax exemptions filed with the County Clerk during the prior year.
- 3) Generate surveys to each project requesting updated information for exemptions and employment.
- 4) Mail surveys. Surveys are to be returned by February 28<sup>th</sup>, along with copies of:
  - New York State Department of Taxation and Finance Form ST-340 – Annual Report of Sales and Use Tax Exemptions
  - NYS-45-MN – Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return – for the quarter ending December 31.

NOTE: These additional reporting requirements were introduced for the year end December 31, 2006, to enhance the reporting process by obtaining substantiation for information reported to COMIDA.
- 5) Upon receipt, ensure that all required documentation is included.
  - NYS-45-MN – required of **all** projects.
    - a) Review to confirm that the number jobs reported to NYS generally agrees with the job numbers reported to COMIDA.

NOTE: COMIDA requests job information as of December 31, and requires that the number of Full Time and the number of Part Time jobs be reported. The NYS 45-MN does not distinguish between full-time and part-time, and reports the number who worked during or received pay for the week that includes the 12<sup>th</sup> of the month, therefore minor discrepancies may occur.
  - ST-340 – required for projects that 1) claimed state and local sales and use tax exemptions as a result of the project's designation as an IDA project or 2) were approved for such exemptions during the prior year.
    - a) Review to confirm that the exemptions reported to NYS agree with the sales and use tax exemptions reported to COMIDA via the annual survey.
- 6) For those projects that did not include the required documentation, or which reveal discrepancies, follow up with phone calls, emails and mail to resolve.

- 7) PILOT Compliance – Utilizing the Project Tracking System, enter updated job information, converting 2 reported part-time positions to 1 full-time.
- 8) Compare job information reported on the surveys to job requirements. The Project Tracking System includes the following information:
  - Type of PILOT
  - Jobs at Application
  - New Jobs Required
- 9) JOB LOSS: - Identify those projects which report job loss from the prior year.
- 10) JOB CREATION – Identify those projects which did not meet their job creation requirements.
- 11) Report these projects to the Executive Director, providing copies of the signed PILOT agreement, job surveys and NYS-45-MNs.
- 12) For those projects wherein a potential DEFAULT is identified, request additional information and explanation from the project operator.
- 13) Further refine the list of potential defaults, based on information noted above, and prepare a report that the Executive Director will present to the PILOT Compliance Review committee.
- 14) PILOT Compliance Review Committee will determine declaration of default, those projects that are to receive a waiver, and those recommended for termination and penalties.
- 15) Attorney prepares default notice letters and terminations documents as required.
- 16) Attorney notifies New York State Department of Taxation and Finance of projects that are terminated.

Approved and adopted this 16<sup>th</sup> day of April 2009.  
Approved and adopted this 16<sup>th</sup> day of March 2010.