

# Clinton County Capital Resource Corporation

## UNIFORM TAX EXEMPTION POLICY

### I. PURPOSE AND AUTHORITY

The Clinton County Capital Resource Corporation has established a uniform tax exemption policy applicable to the provision of any financial assistance of more than one hundred thousand dollars to any Project.

### II. DEFINITION OF TERMS

All words and terms used herein and defined in the General Municipal Law shall have the meanings assigned to them in the General Municipal Law, unless otherwise defined herein or unless the context or use indicates another meaning or intent. The following words and terms used herein shall have the respective meanings set forth below, unless the context or use indicates another meaning or intent:

"Corporation" shall mean the Clinton County Capital Resource Corporation.

"Applicant" shall mean an applicant for financial assistance.

"County" shall mean the County of Clinton.

"Project" shall mean an activity which is undertaken by the Corporation for the benefit of an Applicant which has been or will be financed by the issuance by the Corporation of bonds, notes or other evidences of indebtedness with respect thereto.

"School District" shall mean any school district located in the County.

"Tax Exemption" shall mean exemption from mortgage recording taxes.

### III. GENERAL PROVISIONS

The general policy of the Corporation is to grant a Tax Exemption to any Project which has been or will be financed by the issuance of Corporation bonds, notes or other evidences of indebtedness with respect thereto or otherwise assisted by the Corporation.

- A. *Application* — No request for a Tax Exemption shall be considered by the Corporation unless an application and environmental assessment form are filed with the Corporation on the forms prescribed by the Corporation. Such application shall contain the information requested by the Corporation, including a description of the proposed Project, the estimated value of the Tax Exemption sought with respect to the Project, the proposed financial assistance being sought with respect to the Project, the estimated date of

completion of the Project, and whether such financial assistance is consistent with this part.

B. *Exceptions* —The Corporation reserves the right to deviate from such policy in the sole discretion of the Corporation.

#### **IV. Mortgage Recording Tax Exemption**

State law provides that mortgages recorded by the Corporation are exempt from mortgage recording taxes imposed pursuant to Article 11 of the Tax Law.

The Corporation has a general policy of abating mortgage recording taxes for Applicants under the following circumstance:

1. Initial financing from the Corporation with respect to which Corporation issues debt secured by a mortgage upon real property;
2. In instances where the initial financing commitment provides for a construction financing of the Corporation to be replaced by a permanent financing of the Corporation immediately upon the completion of the Project, the Corporation's general policy is to abate the mortgage recording tax on both the construction financing and the permanent financing.
3. Refinancing of prior debt issued by the Corporation, and on any modifications, extensions and renewals thereof, so long as the Corporation fees relating to same have been paid.

A. *Non-Corporation Financings* — With respect to transactions where the Project occupant needs to borrow money for purposes relating the Project, and the lender will not make the loan to the Project occupant without obtaining a fee mortgage as security, the policy of the Corporation is to consent to the granting of such mortgage and to join in such mortgage, so long as the following conditions are met:

1. The documents relating to such proposed mortgage make it clear that the Corporation is not liable on the debt, and that any liability of the Corporation on the mortgage is limited to the Corporation's interest in the Project;
2. The granting of the mortgage is permitted under any existing documents relating to the Project, and any necessary consents relating thereto have been obtained by the Project occupant; and
3. Payment of the Corporation fee relating to the total Project cost.

- B. *Exemption Affidavit* — The act of granting a mortgage recording tax exemption by the Corporation is confirmed by the execution by an authorized officer of the Corporation of an exemption affidavit relating thereto.

**V. Review of Policy**

At least every five years, the Corporation shall review its tax exemption policies to determine relevance, compliance with law, effectiveness, and shall adopt any modifications or changes that it shall deem appropriate.