

NYC Biotechnology Tax Credit

New York City offers a Biotechnology Tax Credit for investors and owners of a qualified emerging technology company (QETC). This credit can be applied for three consecutive tax years and any unused credit is **refundable** or can be applied as a payment against next year's tax. The credit can be used to offset General Corporation Tax and Unincorporated Business Tax. The credit must be applied for by **January 16, 2018** and is limited to \$250k per year.

A QETC is a company located in NYC that has total annual product sales of \$10M or less and meets the other following criteria:

1. Primary products of services are classified as emerging technologies OR
2. It has research and development activities in NYC AND
3. It's ratio of R&D funds to net sales greater than or equal to 6%

In addition, the taxpayer must also have 100 or less full-time employees, with at least 75% if those employees employed in NYC and have gross revenues of its affiliates and related members which did not exceed \$20M for the immediately preceding year. The amount of the credit is the sum of the following amounts:

1. 18% of the cost or other basis of research and development property and certain other costs and fees incurred in connection with emerging technology activities
2. 9% of qualified research expenses paid or incurred by the taxpayer
3. 100% of high technology training expenses paid or incurred by the taxpayer, limited to \$4k per employee per year