



IDA Annual Compliance Report State Sales Tax Recapture

For IDA fiscal year ending 12 31 20
(mmdyy)

Due within 90 days of the end of each fiscal year.

IDA information

Name of IDA Town of Riverhead Industrial Development Agency		
Street address 200 Howell Avenue		Telephone number (631) 369-5129
City Riverhead	State NY	ZIP code 11901

Terms and conditions for the recapture of state sales tax exemption benefits for projects established, amended, or extended on or after March 28, 2013

1 Did the IDA provide state sales tax exemption benefits to any project established, amended, or extended during the fiscal year entered above? 1 Yes No

If Yes, continue below.
If No, skip to question 3.

2 When an IDA establishes a project, appoints an agent/project operator, or amends or extends a project established in a prior year, the IDA must include terms and conditions for the recapture of state sales tax exemption benefits in its resolutions and project documents. This applies to all projects established, amended, or extended on or after March 28, 2013 (see instructions).

Did the IDA use the same terms and conditions regarding the recapture of state sales tax exemption benefits in the project documents for each of its projects (as described above)? 2 Yes No

If Yes, attach a copy of the terms and conditions used.
If No, attach a copy of each version used. Be sure to identify the projects to which each version of the terms and conditions relate.

If the IDA did not include terms and conditions for the recapture of state sales tax exemption benefits in the project documents, attach a list of these projects (see instructions).

Activities and efforts to recapture state sales tax exemption benefits for projects established, amended, or extended on or after March 28, 2013

3 Did the IDA make efforts to recapture any state sales and use tax exemption benefits from an agent, project operator, or other person or entity (see instructions)? 3 Yes No

If Yes, continue below.
If No, skip question 4 and complete the Certification below.

4 Did the IDA file Form ST-65, IDA Report of Recaptured Sales and Use Tax Benefits, for each recapture, and remit the funds to the Tax Department? 4 Yes No

If Yes, you must keep a copy of Form ST-65 and supporting documentation related to the recapture activities.
If No, attach an explanation of the IDA's recapture efforts (see instructions).

Certification

I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of person signing on behalf of the IDA Tracy Stark James		Print title of person signing on behalf of the IDA Executive Director	
Signature	Date	Telephone number	
	03-31-2021	(631) 369-5129	

Mailing

Mail completed form and attachments to:

NYS TAX DEPARTMENT
IDA UNIT
W A HARRIMAN CAMPUS
ALBANY NY 12227-0866

If not using U.S. Mail, see Publication 55, Designated Private Delivery Services.

SALES TAX AGENT AUTHORIZATION LETTER

EXPIRATION DATE: November 2, 2020

ELIGIBLE LOCATION:

[REDACTED]
Riverhead, New York
November 2, 2017

TO WHOM IT MAY CONCERN

Re: Town of Riverhead Industrial Development Agency

[REDACTED]

Ladies and Gentlemen:

The Town of Riverhead Industrial Development Agency (the "Agency"), by this notice, hereby advises you as follows:

1. Pursuant to a certain Lease Agreement, dated as of November 2, 2017 (the "Lease Agreement"), between the Agency and [REDACTED] a limited liability company organized and existing under the laws of the State of New York (the "Company") the Agency has authorized the Company to act as its agent in connection with the Company Facility described therein located at the Eligible Location described above. Certain capitalized terms used herein and not defined shall have the respective meanings given to such terms in the Lease Agreement.

2. Upon the Company's request, the Agency has appointed [REDACTED], pursuant to this Sales Tax Agent Authorization Letter (the "Sales Tax Agent Authorization Letter") to act as the Agency's agent for the purpose of effecting purchases exempt from sales or use tax in accordance with the terms, provisions of this Sales Tax Agent Authorization Letter and the Lease Agreement. The Agent should review the definitions of Eligible Items and Ineligible Items in Article 28 of the Tax Law and GML 875 hereto with respect to the scope of Sales Tax Exemption provided under the Lease Agreement and hereunder.

3. The effectiveness of the appointment of the Agent as an agent of the Agency is expressly conditioned upon the execution by the Agency of New York State Department of Taxation and Finance Form ST-60 "IDA Appointment of Project or Agent" ("Form ST-60") to evidence that the Agency has appointed the Agent as its agent (the form of which is to be completed by Agency and the Company). Pursuant to the exemptions from sales and use taxes available to the Agent under this Sales Tax Agent Authorization Letter, the Agent shall avail itself of such exemptions when purchasing eligible materials and services in connection with the Facility and shall not include such taxes in its contract price, bid or reimbursable costs, as the case may be.

4. The Agent acknowledges that the executed Form ST-60 shall not serve as a sales or use tax exemption certificate or document. No agent or project operator may tender a copy of the executed Form ST-60 to any person required to collect sales tax as a basis to make such purchases exempt from tax. No such person required to collect sales or use taxes may accept the executed Form ST-60 in lieu of collecting any tax required to be collected. THE CIVIL AND CRIMINAL PENALTIES FOR MISUSE OF A COPY OF FORM ST-60 AS AN EXEMPTION CERTIFICATE OR DOCUMENT OR FOR FAILURE TO PAY OR COLLECT TAX SHALL BE AS PROVIDED IN THE TAX LAW. IN ADDITION, THE USE BY AN AGENT, PROJECT OPERATOR, OR OTHER PERSON OR ENTITY OF SUCH FORM ST-60 AS AN EXEMPTION CERTIFICATE OR DOCUMENT SHALL BE DEEMED TO BE, UNDER ARTICLES TWENTY EIGHT AND THIRTY SEVEN OF THE TAX LAW, THE ISSUANCE OF A FALSE OR FRAUDULENT EXEMPTION CERTIFICATE OR DOCUMENT WITH THE INTENT TO EVADE TAX.

5. As agent for the Agency, the Agent agrees that it will present to each seller or vendor a completed and signed NYS DTF Form ST-123 "IDA Agent or Project Operator Exempt Purchase Certificate" or such additional or substitute form as is adopted by NYS DTF for use in completing purchases that are exempt from Sales and Use Taxes ("Form ST-123") for each contract, agreement, invoice, bill or purchase order entered into by the Agent, as agent for the Agency, for the construction, repair and equipping of the Company Facility. Form ST-123 requires that each seller or vendor accepting Form ST-123 identify the Company Facility on each bill and invoice and invoice for purchases and indicate on the bill or invoice that the Agency or Agent or Company, as project operator of the Agency, was the purchaser. The Agent in conjunction with the Agency shall complete Form ST-123 as follows: (i) the "Project Information" section of Form ST-123 should be completed using the name and address of the Company Facility as indicated on the Form ST-60 used to appoint the Agent; (ii) the date that the Agent was appointed as an agent should be completed using the date of the Agent's Sales Tax Agent Authorization Letter; and (iii) the "Exempt purchases" section of Form ST-123 should be completed by marking "X" in box "A" only.

6. The Agent agrees to comply with the terms and conditions of the Lease Agreement. The Agent must retain for at least six (6) years from the date of expiration of its contract copies of (a) its contract with the Company to provide services in connection with the Facility, (b) all contracts, agreements, invoices, bills or purchases entered into or made by such Agent using the Letter of Authorization for Sales Tax Exemption, and (c) the executed Form ST-60 appointing the Agent as an agent of the Agency, and shall make such records available to the Agency upon reasonable notice. This provision shall survive the expiration or termination of this Sales Tax Agent Authorization Letter.

7. In order to assist the Company in complying with its obligation to file New York State Department of Taxation and Finance Form ST-340 "Annual Report of Sales and Use Tax Exemptions Claimed by Project Operator of Industrial Development Agency/Authority" ("Form ST-340"), the Agent covenants and agrees that it shall file semi-annually with the Company and the Agency (no later than January 15th and July 15th of each calendar year in which it has claimed sales and use tax exemptions in connection with the Company Facility) a written statement of all sales and use tax exemptions claimed by such Agent for the preceding six-month period (ending on June 30th or December 31st, as applicable) in connection with the Facility by completing and submitting to the Company and the Agency the Sales Tax Registry attached hereto as Exhibit B.

If the Agent fails to comply with the foregoing requirement, the Agent shall immediately cease to be the agent for the Agency in connection with the Company Facility (such agency relationship being deemed to be immediately revoked) without any further action of the parties, the Agent shall be deemed to have automatically lost its authority to make purchases as agent for the Agency, and shall desist immediately from all such activity.

8. The Agent agrees that if it fails to comply with the requirements for sales and use tax exemptions, as described in this Sales Tax Agent Authorization Letter, it shall pay any and all applicable Company Sales Tax Savings and any interest and penalties thereon. This provision shall survive the expiration or termination of this Sales Tax Agent Authorization Letter.

9. **Special Provisions Relating to State Sales Tax Savings.**

(a) The Agent covenants and agrees to comply, and to cause each of its contractors, subcontractors, persons or entities to comply, with the requirements of General Municipal Law Sections 875(1) and (3) (the "Special Provisions"), as such provisions may be amended from time to time. In the event of a conflict between the other provisions of this Sales Tax Agent Authorization Letter or the Lease Agreement and the Special Provisions, the Special Provisions shall control.

(b) The Agent acknowledges and agrees that pursuant to General Municipal Law Section 875(3) the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Agent State Sales Tax Savings taken or purported to be taken by the Agent or any other person or entity acting on behalf of the Agent to which Agent or the Company is not entitled or which are in excess of the Maximum Company Sales Tax Savings Amount or which are for property or services not authorized or taken in cases where the Company, any Agent or any other person or entity acting on behalf of the Company or the Agent failed to comply with a material term or condition to use property or services in the manner required by this Sales Tax Agent Authorization Letter or the Lease Agreement. The Company shall, and shall require each Agent and any other person or entity acting on behalf of the Company, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such State Sales Tax Savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the "Commissioner") to assess and determine State Sales and Use Taxes due from the Company under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

10. Subject to the provisions of Section 9 hereof, in the event that the Agent shall utilize the Sales Tax Exemption in violation of the provisions of the Lease Agreement or this Sales Tax Agent Authorization Letter, the Agent shall promptly deliver notice of same to the Company and the Agency, and the Agent shall, upon demand by the Agency, pay to or at the direction of the Agency a return of sales or use tax exemptions in an amount equal to all such unauthorized sales or use tax exemptions together with interest at the rate of twelve percent (12%) per annum compounded daily from the date and with respect to the dollar amount for which each such unauthorized sales or use tax exemption was availed of by the Agent.

11. Upon request by the Agency with reasonable notice to the Agent, the Agent shall make available at reasonable times to the Agency all such books, records, contracts, agreements,

invoices, bills or purchase orders of the Agent, and require all appropriate officers and employees of the Agent to respond to reasonable inquiries by the Agency as shall be necessary (y) to indicate in reasonable detail those costs for which the Agent shall have utilized the Sales Tax Exemption and the dates and amounts so utilized, and (z) to permit the Agency to determine any amounts owed by the Agent under Section 10.

12. By execution of this Sales Tax Agent Authorization Letter, the Agent agrees to accept the terms hereof and represent and warrant to the Agency that the use of this Sales Tax Agent Authorization Letter by the Agent is strictly for the purposes stated herein.

13. The Agent acknowledges that this Sales Tax Agent Authorization Letter will terminate on the date (the "Termination Date") that is the earlier of (i) the Expiration Date referred to above, and (ii) the expiration or termination of the Lease Agreement. Upon the Termination Date, the agency relationship between the Agency and the Agent shall terminate.

(Remainder of Page Intentionally left Blank -Signature Page Follows)

The signature of a representative of the Agent where indicated below will indicate that the Agent accepted the terms hereof.

**TOWN OF RIVERHEAD
INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Name: Tracy Stark-James
Title: Executive Director

DATED: _____

ACCEPTED AND AGREED TO BY:

By: _____
Name:
Title:

By: _____
Name:
Title:

Exhibit B

To

SALES TAX AGENT AUTHORIZATION LETTER

Semi Annual SALES TAX REGISTRY

Please Complete: REPORTED PERIOD: SEMI-ANNUAL PERIOD FROM [JANUARY 1][JUNE 1], 201__ to [JULY 30][DECEMBER 31], 201__

Description of Item (incl. Serial # if applicable)	Location of Item	Dollar Amount	Vendor Description	Date of Payment	Purchase Order or Invoice number	Sales Tax Savings

TOTAL SALES TAX SAVINGS REALIZED DURING THE SEMI-ANNUAL REPORTED PERIOD:

Certification: I, the undersigned, an authorized officer or principal owner of the company identified below, hereby certify to the best of my knowledge and belief that all information contained in this report is true and complete. The information reported in this form includes all Company Sales Tax Savings realized by the company identified below and its principals, affiliates, tenants, subtenants, contractors and subcontractors. This form and information provided pursuant hereto may be disclosed to the Town of Riverhead Industrial Development Agency ("RIDA"), and may be disclosed by RIDA in connection with the administration of the programs by RIDA; and, without limiting the foregoing, such information may be included in reports or disclosure required by law.

Name of Agent: _____

Signature By: _____

Name (print): _____

Title: _____

Date: _____

EXHIBIT F

Annual Sales Tax Registry

Please Complete: **REPORTED PERIOD: ANNUAL PERIOD FROM JULY 1, 201__ to JUNE 30, 201__**

Description of item (incl. Serial # if applicable)	Location of item	Dollar Amount	Vendor Description	Date of Payment	Purchase order or Invoice number	Sales Tax Savings
SEMI-ANNUAL PERIOD FROM JULY 1, [] to DECEMBER 31, []						
TOTAL SALES TAX SAVINGS REALIZED DURING THE SEMI-ANNUAL PERIOD FROM JULY 1, [] to DECEMBER 31, []:						
SEMI-ANNUAL PERIOD FROM JANUARY 1, [] to JUNE 30, []						
TOTAL SALES TAX SAVINGS REALIZED DURING THE SEMI-ANNUAL PERIOD FROM JANUARY 1, [] to JUNE 30, []:						
TOTAL SALES TAX SAVINGS REALIZED DURING THE ANNUAL REPORTED PERIOD:						

Certification: I, the undersigned, an authorized officer or principal owner of the Company, hereby certify to the best of my knowledge and belief that all information contained in this report is true and complete. The information reported in this form includes all Company Sales Tax Savings realized by the Company below and its principals, affiliates, tenants, subtenants, contractors, subcontractors and any other person or entity pursuant to the LETTER OF AUTHORIZATION FOR SALES TAX EXEMPTION issued to the Company, and any SALES TAX AGENT AUTHORIZATION LETTER issued to any other person or entity at the direction of the Company, by the Town of Riverhead Industrial Development Agency ("RIDA"). This form and information provided pursuant hereto may be disclosed by RIDA in connection with the administration of the programs by RIDA; and, without limiting the foregoing, such information may be included in reports or disclosure required by law.

Lessee Name: _____
 Signature By: _____
 Name (print): _____
 Title: _____
 Date: _____

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Department of Taxation and Finance

IDA Report of Recaptured Sales and Use Tax Benefits

ST-65

(1/18)

The industrial development agency or authority (IDA) must remit recaptured sales and use tax exemption benefit amounts to the Tax Department within 30 days.				For Tax Department use only			
Type or print clearly							
Name of IDA Town of Riverhead		Telephone number (631) 369-5129					
Street address (number and street or rural route) 200 Howell Avenue						Sales and use tax	
City Riverhead	County Suffolk	State NY	ZIP code 11901				

Name of IDA project operator, agent, or other person or entity Peconic Management Group, LLC			Federal identification number [REDACTED]		
Street address [REDACTED]			Telephone number [REDACTED]		Primary operator or agent Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
City Riverhead	State NY	ZIP code 11901			

Name of project Peconic Management Group, LLC III Ostrander		IDA project number (use OSC number)			
Street address of project site [REDACTED]		Period of project (mmdyyy) 121317 through 101119			
City Riverhead	State NY	ZIP code 11901			

Basis for recaptured sales and use tax exemption benefits:

Mark an X in the boxes that apply. The benefits were:

- Not entitled or authorized to be taken
- In excess of the amounts authorized
- For unauthorized property or services
- For property or services not used according to the terms of the agreement with the IDA

Taxes recaptured:

State	8,089.64
MCTD	0.00
Local Jurisdiction	9,353.64
List Jurisdiction:	Suffolk County
Total amount recaptured	17,443.28

Note: If the amount owed is different than the amount remitted, attach an explanation for the difference.

Date of recapture: 031220
(mmdyyy)

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Signature [REDACTED]	Printed title of authorized person Executive Director	
Printed name of officer or employee authorized to sign on behalf of the IDA Tracy Stark James	Date 03-12-2020	Telephone number (631) 369-5129

Peconic Management Group LLC - Phase III
Recapture of NYS Sales Tax Benefits
February 13, 2020

*There were no sales tax exemptions for the calendar years of 2017 and 2018.

Sales Tax Exemption Amount				
	2017	2018	2019	Total
New York State	\$ -	\$ -	\$ 8,089.64	\$ 8,089.64
Local	-	-	9,353.64	9,353.64
Total	\$ -	\$ -	\$ 17,443.28	\$ 17,443.28