

India Abroad

Panel offers ways for New York businesses to stay afloat

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Small and mid-sized businesses in the New York metropolitan area can get help from the state and the city to stay afloat in bad times, said a panel of experts and city officials. "Businesses are facing a lot of financial difficulty, so this is a good opportunity to point them in the right direction," said Kuldeepak Acharya, a partner at New York based accounting firm Anchin, Block & Anchin and the panel's moderator, at the event held June 10 at the Citigroup Center in New York. The panelists said the city and the state offer numerous benefits, including sales tax exemptions, wage-tax credits and investment tax credits, in programs like Empire Zones, Relocation and Employment Assistance and other such initiatives.

The city's Department of Small Business Services picks up part of the tab on employee training programs through its Training Funds program. It also works with Con Edison to help businesses save on energy costs, said Alexandra Simon, senior business analyst at the SBS. The panelists told the audience — comprising business owners, bankers and lawyers — of the various incentives, and the ways and means to access them. "These benefits are not easy to get to but they're real," said David Meade, project manager, Anchin Economic Development. Benefits under these programs can be triggered by actions like hiring local talent, investing capital into a local business, or moving an existing business to designated areas such as Empire Zones, he said. The savings could be as high as \$15 million over years in one extreme example, although the average was about \$50,000. Ruchir Shah, chief financial officer at Big Apple Visual Group, a Long Island-based company that manufactures indoor and outdoor signs and employs about 90 people, said his business has saved about \$200,000 over the past nine years using incentives provided by the city and state.

Paul Gevertzman, a partner at Anchin, Block & Anchin and one of the panelists, pointed out that the

Empire Zones program ends in June 2010, which is when the state stops accepting new applications. So even if businesses are not thinking of hiring more people or investing more capital, they should enroll soon to take advantage of these benefits when they do expand in the long term, he said. The Empire Zones program was created by New York State to spur economic growth using state tax incentives designed to attract new businesses and to enable existing businesses to grow and generate more jobs. According to the state's Web site, there are more than 8,780 certified businesses employing more than 344,397 people in 85 Empire Zones statewide.

The panel also outlined general guidelines that businesses can use to see if they are eligible for these benefits. For instance, a company looking to set up a manufacturing unit in any part of the city other than south of 96th Street in Manhattan borough, has a good chance to be granted these benefits and incentives, Simon said. But retail businesses operating in or planning to move south of 96th Street in Manhattan could find it difficult to qualify. One common mistake businesses make, Simon said, is to sign a lease or begin construction before checking with state or city officials about the incentives or benefits available. "A lot of them don't even think to look," she said. Birinder Madan, who owns a kitchen appliances company in Brooklyn, said he was lost in the bureaucratic maze of the incentives program and had not qualified for it. "Maybe we didn't send in the right documents," he said.

To help businesses avoid such pitfalls, there are six NYC Business Express centers in the five boroughs — one in each borough and two in Manhattan. "It's a great place to navigate government. We can advise them better. It's a one-stop shop and it's free," Simon said. The event was put together by Citibank's Commercial Banking division and accountants Anchin, Block & Anchin.