

# Nassau touts incentives to small businesses

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Photo credit: Newsday/Karen Wiles Stabile | Count Executive Edward Mangano is touting a sales tax break for small businesses, saying, "Instead of seeing empty storefronts in our downtowns, we want to give small-business owners the incentive to invest, to grow in Nassau." (July 14, 2012)

Seeking to boost the economy, Nassau County Friday will begin offering tax breaks to small businesses for new equipment purchases and building renovations.

The Local Enterprise Assistance and Development Service, or LEADS, also will offer small companies help in complying with government regulations. It is being rolled out by the county's Industrial Development Agency at the behest of County Executive Edward Mangano.

Benefits are available to businesses operating in Nassau with 100 or fewer employees. All types of businesses are eligible, including retailers, which until recently were prohibited by state law from receiving [IDA](#) help.

Companies seeking a sales tax exemption on machinery or construction materials for improvements to an office, store or factory could save up to \$99,000. Projects valued at \$1.1 million or less would be eligible for the tax break, which would be given in exchange for commitments not to lay off workers, and if possible, to hire more.

### **Application fee cut**

"Instead of seeing empty storefronts in our downtowns, we want to give small-business owners the incentive to invest, to grow in Nassau," said Mangano, who started a small publishing company in [Bethpage](#) before entering politics.

"The [IDA](#) has only been able to help large- and mid-sized companies. With LEADS, we can provide some of the same benefits to the people responsible for creating 60 percent of the jobs in the county," he said in an interview.

Nassau had 46,401 businesses with 99 or fewer workers in 2010; the total number of businesses was 47,113, according to the most recent data available from the [Census Bureau](#). The numbers are similar in [Suffolk](#), where the county [IDA](#) in July began a more limited program for entrepreneurs. For LEADS, the Nassau [IDA](#) has cut its application fee from \$7,500 to \$250.

Asked how granting more tax breaks would impact Nassau's precarious finances, Mangano said sales-tax collections from higher sales at LEADS beneficiaries and spending by the people they hire would far exceed the value of the incentives. "There will be a return to taxpayers in the form of new jobs and increased sales tax revenue," he said.

Nassau expects to collect \$1.1 billion in sales tax this year, or 40 percent of its revenue. LEADS also impacts [New York State](#) and the [Metropolitan Transportation Authority](#), both of which depend on sales tax revenue. In Nassau, the rate is 8.625 percent.

**A step in 'right direction'** Banker [Timothy Williams](#), who leads the Nassau [IDA](#) board, said the new program could eventually help small companies qualify for bank loans. "This allows them to grow their businesses to a point where they might be able to get a loan," he said.

Williams and two other IDA officials, executive director [Joseph J. Kearney](#) and top lawyer Edward Ambrosino, will decide who gets LEADS benefits.

The program also includes a telephone number (516-571-1745) and email address ([leads@nassauida.org](mailto:leads@nassauida.org)) for entrepreneurs to get help complying with regulations, such as building permits and health certifications. A 21-page booklet with agency contact information can be downloaded from [nassauida.com](http://nassauida.com), said Nicholas Terzulli, the IDA's business development director. Some small-business advocates lauded LEADS.

"There's no silver bullet to cover every difficulty that small businesses face," said attorney E. Christopher Murray of the Nassau Council of Chambers of Commerce. "But this is a step in the right direction that will definitely be well received."