



Industrial and Commercial Incentive Program (ICIP) Annual Report

New York City Department of Finance

April 17, 2025

Background

The Industrial and Commercial Incentive Program (ICIP) was created on November 5, 1984, by a local law adopted by the Council pursuant to State enabling legislation. The program sunset in 2008, and was replaced by the Industrial and Commercial Abatement Program (ICAP). The ICIP program is established in Title 2D of the NYS Real Property Tax Law and NYC Administrative Code §11-256 to §11-267. The ICAP program is established in Title 2F of the NYS Real Property Tax Law and NYC Administrative Code §11-268 to §11-278. These programs were designed to stimulate economic development by means of tax exemptions and abatements for construction or rehabilitation of commercial, industrial or mixed-use structures.

ICIP provides a partial exemption from property taxes for periods of up to 25 years for eligible industrial and commercial buildings that are built, modernized, rehabilitated, expanded, or otherwise physically improved. For industrial construction, a property may receive an additional abatement for eligible work where such eligible work meets a higher minimum required expenditure threshold.

Both ICIP and now ICAP are administered by the Department of Finance, which receives and processes applications, determines eligibility, and grants benefits for eligible work. The Department also reviews projects receiving benefits as to continuing compliance with the program. If the Department determines that a project is not in compliance with program requirements as provided in applicable laws and rules, it may deny, suspend or revoke the benefits.

This report was prepared pursuant to NYC Administrative Code §11-267, relating to an annual report for the Industrial and Commercial Incentive Program. Section 11-267 provides:

The department of finance shall submit an annual report to the council, on April first of each year, concerning the status of the program established pursuant to this part and its effects in the city, including information on certificates of eligibility issued and jobs created in each area where benefits are available.

Status of the ICIP Program

The Industrial and Commercial Incentive Program (ICIP) sunset on June 30, 2008 and has been replaced by the Industrial and Commercial Abatement Program (ICAP). Preliminary Applications for ICIP benefits must have been filed on or before June 30, 2008. If the applicant applied for ICIP benefits no later than June 30, 2008 -- and if the applicant received a building permit for construction of the project, or a demolition permit, no later than July 31, 2008 -- then the project can receive benefits for construction performed pursuant to additional building permits issued after July 31, 2008.

To qualify for ICIP, all construction work performed must have been completed prior to December 31, 2013. Benefits will not be granted for any such construction work performed after December 31, 2013. For purposes of determining whether the ICIP completion deadline has been met, construction work will be deemed completed when a temporary or final Certificate of Occupancy is issued by the Department of Buildings. If such work does not require the issuance of a temporary or final Certificate of Occupancy, construction work will be deemed completed at the time the applicant and the applicant's engineer submit an affidavit to the Department of Finance certifying completion. This definition of completion of construction applies only for this specific purpose.

ICIP Project Preliminary Applications FY 2016 to 2025

The table below illustrates the number of ICIP Preliminary Applications received in fiscal years 2015/16 to 2024/25. A preliminary application is the first step in applying for ICIP and does not guarantee the benefit but merely starts the process.

ICIP Projects may be for one or more than one block and lot. As the program sunset in 2008, there are no new ICIP preliminary applications.

| Number of Applications | Tax Year | | | | | | | | | | |
|------------------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------------|
| Borough | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | Grand Total |
| Manhattan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bronx | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Brooklyn | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Queens | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Staten Island | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

ICIP Applications by Current Application Status

This table indicates the current status of the preliminary applications initially submitted for fiscal years 2016-2025. Since the program sunset in 2008, there were neither new preliminary applications nor were there any preliminary or final certificates issued.

The Department of Finance receives applications that may not result in benefits to the applicant. If the application process is not completed or the work is otherwise not eligible for benefits under the law or rules, an ICIP benefit will not be granted. There are three possible current statuses and they are defined as:

- Those in the status of Preliminary Application have not filed the subsequent application to receive a Preliminary Certificate, and have likely abandoned the planned project.
- Those in the Preliminary Certificate stage will receive benefits if they have received a physical increase within the capping period. A Preliminary Certificate is issued once DOF determines that the project has met specific criteria and is eligible for benefits.
- A Final Certificate is approved when construction has been completed and has met all applicable standards under the statute and rules determined by the Department of Finance. Please note that ICIP does not require a Final Certificate to receive exemption benefits, but is required for industrial properties seeking the additional industrial abatement.

PA = Preliminary Application

PC = Preliminary Certificate

FC = Final Certificate

| Number of Applications | Application Status | | | |
|------------------------|--------------------|----|----|-------------|
| | PA | PC | FC | Grand Total |
| Borough | | | | |
| Manhattan | 0 | 0 | 0 | 0 |
| Bronx | 0 | 0 | 0 | 0 |
| Brooklyn | 0 | 0 | 0 | 0 |
| Queens | 0 | 0 | 0 | 0 |
| Staten Island | 0 | 0 | 0 | 0 |
| Grand Total | 0 | 0 | 0 | 0 |

ICIP Applications by Project Type

This table illustrates that commercial projects, whether for new construction or renovations, far exceed industrial applications. Since there were no new applications since 2008, this chart does not have any data.

CN = Commercial New
CR = Commercial Renovation
IN = Industrial New
IR = Industrial Renovation

| Number of Applications | Application Status | | | | |
|------------------------|--------------------|-----|-----|-----|-------------|
| Borough | CN | CR | IN | IR | Grand Total |
| Manhattan | n/a | n/a | n/a | n/a | n/a |
| Bronx | n/a | n/a | n/a | n/a | n/a |
| Brooklyn | n/a | n/a | n/a | n/a | n/a |
| Queens | n/a | n/a | n/a | n/a | n/a |
| Staten Island | n/a | n/a | n/a | n/a | n/a |
| Grand Total | n/a | n/a | n/a | n/a | n/a |

ICIP Estimated Number of Jobs Created by Project Type

At the time of application, applicants predict how many jobs their projects would likely contribute to the New York City economy. Additionally, benefit recipients are required to update this information with DOF every year as part of their annual reporting requirement which is known as the Certificate of Continuing Use (CCU). The below information is from the CCUs that benefit recipients submitted during 2025. Most of the jobs created result from commercial projects, 98% of total created.

CN = Commercial New
CR = Commercial Renovation
IN = Industrial New
IR = Industrial Renovation

| Count of Estimated Jobs | Project Type | | | | |
|-------------------------|--------------|--------|-----|-------|-------------|
| Borough | CN | CR | IN | IR | Grand Total |
| Manhattan | 2,923 | 2,964 | 0 | 46 | 5,933 |
| Bronx | 9,495 | 8,406 | 109 | 519 | 18,529 |
| Brooklyn | 12,797 | 17,718 | 212 | 4,201 | 34,928 |
| Queens | 14,563 | 16,701 | 420 | 3,699 | 35,383 |
| Staten Island | 2,860 | 826 | 30 | 29 | 3,745 |
| Grand Total | 42,638 | 46,615 | 771 | 8,494 | 98,518 |