§ 499-aa. Definitions. When used in this title, the following terms shall mean or include:

1. "Abatement base." The lesser of (i) two dollars and fifty cents of the tax liability per square foot or (ii) fifty per centum of the tax liability per square foot; provided, however, that with respect to a lease commencing on or after April first, nineteen hundred ninety-seven, the abatement base shall equal the tax liability per square foot subject to a maximum of two dollars and fifty cents per square foot.

2. "Abatement zone." (a) Any area of a city having a population of one million or more, provided that in the city of New York the abatement zone shall be any district that is zoned C4, C5 or C6 in accordance with the zoning resolution of such city in the borough of Manhattan north of the center line of 96th Street or in the boroughs of the Bronx, Brooklyn, Queens or Staten Island.

(b) In addition to the abatement zone set forth in paragraph (a) of this subdivision, in the city of New York the abatement zone shall be any district that is zoned C4, C5, C6, M1, M2 or M3 in accordance with the zoning resolution of such city in any area of such city except the area lying south of the center line of 96th Street in the borough of Manhattan.

(c) Notwithstanding the provisions of paragraph (b) of this subdivision, the abatement zone shall also include the special garment center district as defined by chapter 1 of article XII of the zoning resolution of the city of New York.

(d) Any tax lot that is partly located inside an abatement zone shall be deemed to be entirely located inside such zone.

3. "Aggregate floor area." The sum of the gross areas of the several floors of a building, measured from the exterior faces of exterior walls or from the center lines of walls separating two buildings.

4. "Applicant." The landlord and the tenant.

5. "Benefit period." The period commencing with the first day of the month immediately following the rent commencement date and terminating

no later than sixty months thereafter, provided, however, that with respect to a lease commencing on or after April first, nineteen hundred ninety-seven with an initial lease term of less than five years, but not less than three years, the period commencing with the first day of the month immediately following the rent commencement date and terminating no later than thirty-six months thereafter, and provided, further, however, that with respect to a lease commencing on or after July first, two thousand five for eligible premises defined in subparagraph (ii) of paragraph (b) or paragraph (c) of subdivision ten of this section with an initial lease term of not less than three years, the period commencing with the first day of the month immediately following the rent commencement date and terminating no later than one hundred twenty months thereafter. Notwithstanding the foregoing sentence, a benefit period shall expire no later than March thirty-first, two thousand seven, provided, however, that with respect to a lease commencing on or after July first, two thousand for eligible premises defined in subparagraph (i) of paragraph (b) of subdivision ten of this section, a benefit period shall expire no later than June thirtieth, two thousand sixteen, provided, further, however that with respect to a lease commencing on or after July first, two thousand five for eligible premises defined in subparagraph (ii) of paragraph (b) or paragraph (c) of subdivision ten of this section, a benefit period shall expire no later than June thirtieth, two thousand twenty.

6. "Billable assessed value." The lesser of the taxable transitional or the taxable actual assessed value of the eligible building and the land on which the eligible building is located for the fiscal year in which the benefit period commences, as computed pursuant to subdivision three of section one thousand eight hundred five of this chapter.

7. "Department of finance." The department of finance of any city having a population of one million or more.

8. "Eligible building." (a) With respect to the abatement zone defined in paragraph (a) of subdivision two of this section, a non-residential or mixed-use building that has an aggregate floor area of twenty-five thousand square feet or more and that received its initial certificate

of occupancy or initial temporary certificate of occupancy prior to January first, nineteen hundred seventy-five; provided that if no certificate of occupancy was required at the time the building was constructed, other proof acceptable to the department of finance is submitted that demonstrates that the building was constructed prior to January first, nineteen hundred seventy-five; and provided further that eligible building shall not include any building owned by a governmental agency. Each condominium unit in a building that meets the requirements of this subdivision shall be considered a separate eligible building.

(b) With respect to the abatement zone defined in paragraph (b) of subdivision two of this section for eligible premises defined in subparagraph (i) of paragraph (b) of subdivision ten of this section, a non-residential or mixed-use building that has an aggregate floor area of twenty-five thousand square feet or more and that received its initial certificate of occupancy or initial temporary certificate of occupancy prior to January first, nineteen hundred ninety-nine; provided that if no certificate of occupancy was required at the time the building was constructed, other proof acceptable to the department of finance is submitted that demonstrates that the building was constructed prior to January first, nineteen hundred ninety-nine; and provided further that eligible building shall not include any building owned by a governmental agency. Each condominium unit in a building that meets the requirements of this subdivision shall be considered a separate eligible building.

(c) With respect to the abatement zone defined in paragraph (b) of subdivision two of this section for eligible premises defined in subparagraph (ii) of paragraph (b) of subdivision ten of this section and the abatement zone defined in paragraph (c) of subdivision two of this section, a non-residential building; provided that eligible building shall not include any building owned by a governmental agency. Each condominium unit in a building that meets the requirements of this subdivision shall be considered a separate eligible building.

9. "Eligibility period." The period commencing April first, nineteen hundred ninety-five and terminating March thirty-first, two thousand one, provided, however, that with respect to eligible premises defined in subparagraph (i) of paragraph (b) of subdivision ten of this section,

the period commencing July first, two thousand and terminating June thirtieth, two thousand twenty-eight, and provided, further, however, that with respect to eligible premises defined in subparagraph (ii) of paragraph (b) or paragraph (c) of subdivision ten of this section, the period commencing July first, two thousand five and terminating June thirtieth, two thousand twenty-eight.

10. "Eligible premises." (a) With respect to the abatement zone defined in paragraph (a) of subdivision two of this section, premises located in an eligible building that (a) are occupied or used as offices (including ancillary uses) or are occupied or used as retail space and (b) are occupied or used by a tenant under a lease that meets the eligibility requirements of section four hundred ninety-nine-cc of this title, provided, however, that premises occupied or used as retail space shall not be eligible premises unless located in an eligible building the premises of which are occupied or used primarily as offices (including ancillary uses);

(b) With respect to the abatement zone defined in paragraph (b) of subdivision two of this section, premises located in an eligible building that are (i) occupied or used as offices (including ancillary uses) or are occupied or used for other lawful commercial business activities, but not premises occupied or used as retail space or for hotel or residential purposes; or (ii) occupied or used for industrial and manufacturing activities (including ancillary uses), but not premises occupied or used for hotel or residential purposes; and

(c) With respect to the abatement zone defined in paragraph (c) of subdivision two of this section, premises located in an eligible building that are occupied or used for industrial and manufacturing activities (including ancillary uses), but not premises occupied or used for hotel or residential purposes.

(d) Notwithstanding the provisions of subparagraph (ii) of paragraph (b) or paragraph (c) of this subdivision, premises located in an eligible building shall not be eligible for the tax abatement granted pursuant to subdivision one-b of section four hundred ninety-nine-bb of this title unless at least fifty percent of the aggregate floor area of such premises is occupied or used for industrial and manufacturing activities (exclusive of ancillary uses) as defined in subdivision

fourteen-a of this section.

(e) For eligible premises defined in subparagraph (ii) of paragraph (b) or paragraph (c) of this subdivision, retail space shall be (i) occupied solely by the tenant of such eligible premises who has applied for and receives a tax abatement pursuant to this title and (ii) used for the purpose of selling or servicing the products of such tenant. Such retail space shall not be deemed to be occupied or used for industrial and manufacturing activities for purposes of paragraph (d) of this subdivision.

11. "Expansion premises." Eligible premises leased by an expansion tenant to accommodate additional employees.

12. "Expansion tenant." A person who (a) occupies premises in an eligible building under a lease which does not expire during the eligibility period and (b) executes a lease for expansion premises in such eligible building or in another eligible building which lease meets the eligibility requirements of section four hundred ninety-nine-cc of this title. For purposes of determining whether expansion premises are located in the same or in another eligible building, the last sentence of subdivision eight of this section shall not be applicable.

13. "Fiscal year." The fiscal year of any city having a population of one million or more.

14. "Governmental agency." The United States of America or any agency or instrumentality thereof, the state of New York, the city of New York, any public corporation (including a body corporate and politic created pursuant to agreement or compact between the state of New York and any other state), public benefit corporation, public authority or other political subdivision of the state.

14-a. "Industrial and manufacturing activities." Activities involving the assembly of goods to create a different article, or the processing, fabrication, or packaging of goods. Industrial and manufacturing activities shall not include waste management or utility services.

15. "Landlord." Any person who (a) controls all non-residential portions of an eligible building, including, without limitation, the record owner, the lessee under a ground lease, any mortgagee in possession or any receiver, and (b) who grants the right to use or occupy eligible premises to any tenant, provided that landlord shall not include any lessee who at any time during the lease term occupied or used or occupies or uses any part of the non-residential portions of such eligible building, other than premises occupied or used by such lessee to provide rental or management services to such building.

16. "Lease commencement date." The date set forth in the lease on which the term of the lease commences.

17. "Mixed-use building." A building used for both residential and commercial purposes, provided that more than twenty-five per centum of the aggregate floor area of such building is used or held out for use as commercial, community facility or accessory use space.

18. "New tenant." A person who (a) (i) is relocating or expanding from premises in a relocation area to eligible premises, or (ii) occupies premises in an eligible building under a lease which expires during the eligibility period and is relocating or expanding to eligible premises, or (iii) occupies premises in the abatement zone in a building which is not an eligible building and is relocating or expanding to eligible premises, or (iv) does not occupy any premises immediately prior to executing a lease for eligible premises, or (v) is an owner of a building in the abatement zone who is relocating or expanding to eligible premises, and (b) executes a lease which meets the eligibility requirements of section four hundred ninety-nine-cc of this title.

19. "Person." An individual, corporation, limited liability company, partnership, association, agency, trust, estate, foreign or domestic government or subdivision thereof, or other entity.

20. "Relocation area." Any area except the abatement zone as defined in subdivision two of this section.

21. "Renewal tenant." A person who (a) occupies premises in an eligible building under a lease which expires during the eligibility period and (b) executes a lease for the continued occupancy of all or part of such premises or all or part of such premises and additional premises in such eligible building, provided such premises are eligible premises and such lease meets the eligibility requirements of section four hundred ninety-nine-cc of this title.

22. "Rent commencement date." The date set forth in the lease on which the obligation to pay basic fixed rent shall commence.

23. "Subtenant." A person whose right to occupy and use the eligible premises is not derived from a lease with the landlord.

24. "Tax commission." The tax commission in any city having a population of one million or more.

25. "Tax liability." The product obtained by multiplying the billable assessed value for the fiscal year in which the benefit period commences by the tax rate applicable to the eligible building for such fiscal year as set by the local legislative body of any city having a population of one million or more.

26. "Tax liability per square foot." The tax liability divided by the total number of square feet in the eligible building, as listed on the records of the department of finance.

27. "Tenant." A person (including any successors in interest) who executes a lease with the landlord for the right to occupy or use the eligible premises and who occupies or uses the eligible premises pursuant to such lease. Tenant shall not include any subtenant. When used in this title, "tenant" includes "expansion tenant", "new tenant" and "renewal tenant."

28. "Tenant's percentage share." (a) For eligible premises defined in paragraph (a) or subparagraph (i) of paragraph (b) of subdivision ten of this section, the percentage of the eligible building's aggregate floor

area allocated to the eligible premises, which shall be presumed to be such percentage as set forth in the lease for the eligible premises; provided that where the eligible premises includes expansion premises, the "tenant's percentage share" shall be calculated on the basis of the percentage of the eligible building's aggregate floor area allocated solely to the expansion premises.

(b) For eligible premises defined in subparagraph (ii) of paragraph (b) or paragraph (c) of subdivision ten of this section, the percentage of the eligible building's aggregate floor area allocated to the eligible premises to be occupied or used for industrial and manufacturing activities, as defined in subdivision fourteen-a of this section; provided that where the eligible premises includes expansion premises, the "tenant's percentage share" shall be calculated on the basis of the eligible building's aggregate floor area allocated solely to expansion premises to be occupied or used for industrial and manufacturing activities.