



# Certificate of Exemption from Withholding for START-UP NY Program

# IT-2104-SNY

New York State • New York City • Yonkers

If you are employed by a business approved to participate in the START-UP NY program that operates in a tax-free NY area, you may be eligible to exclude from New York adjusted gross income (NYAGI) wages earned from this employer. Therefore, you may choose to claim exemption from withholding on these wages for New York State personal income tax (and New York City and Yonkers personal income tax, if applicable).

To be eligible, you must:

- be employed by an approved business certified to participate in the START-UP NY program;
- perform work **exclusively** at the approved business's location within the tax-free NY area during the tax year;
- be employed in a net new job created by the approved business in the tax-free NY area; **and**
- work at least **6 months** (or expect to work at least 6 months) of the tax year at the approved business's location.

See *Who qualifies* below for additional information on eligibility.

If you **do not meet all** of the conditions above, **stop**; you cannot claim exemption from withholding.

## Employee information

First name and middle initial	Last name	Social Security number	Filing status: Mark an <b>X</b> in only one box
Mailing address ( <i>number and street or PO Box</i> )	Apartment number	Date of birth ( <i>mm-dd-yyyy</i> )	<b>A</b> Single..... <input type="checkbox"/>
City, village, or post office	State	ZIP code	<b>B</b> Married filing joint return ... <input type="checkbox"/>
			<b>C</b> Head of household..... <input type="checkbox"/>

I certify that the information on this form is correct and that, for this tax year, I expect to qualify (as described above) for exemption from withholding on my wages from this employer, for New York State income tax purposes.

<b>Employee's signature</b> ( <i>give the completed form to your employer; keep a copy for your records</i> )	Date
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## Employer information: complete this section and retain form for inspection upon request

Employer name	Employer identification number (EIN)
Certificate number	<input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> - <input type="text"/>

## Instructions

### Employee

**Who qualifies** – If you are employed by a business approved to participate in the START-UP NY program that operates in a tax-free NY area, you may be eligible to exclude from your NYAGI the wages earned while working for this business. Therefore, you may choose not to have income tax withheld on these wages for New York State personal income tax (and New York City and Yonkers personal income tax, if applicable). See our website at [www.tax.ny.gov](http://www.tax.ny.gov) for more information.

**Note:** During the second five years of the approved business's 10 consecutive tax year period, the amount of wages included in your federal adjusted gross income (AGI) that can be excluded from your NYAGI is limited as follows:

- \$200,000 of annual wages, if your filing status is single,
- \$250,000 of annual wages, if your filing status is head of household, or
- \$300,000 of annual wages, if your filing status is married filing joint return.

Any wages included in your federal AGI earned over the amounts listed above, must have New York State personal income tax (and New York City and Yonkers personal income tax, if applicable) withheld by your employer; as you are liable

for income taxes on the excess wages. To make sure the proper amount of tax is withheld, you should also complete Form IT-2104, *Employee's Withholding Allowance Certificate*, and give it to your employer.

To be eligible, you must:

- be employed by an approved business certified to participate in the START-UP NY program;
- perform work **exclusively** at the approved business's location within the tax-free NY area during the tax year;
- be employed in a net new job created by the approved business in the tax-free NY area (see your employer to confirm you meet this qualification); **and**
- work at least **6 months** (or expect to work at least 6 months) of the tax year at the approved business's location.

**Note:** You are not eligible to exclude these wages from NYAGI if you do not work for this business at least 6 months of your tax year. If you claim the exemption from withholding before you have worked 6 months, and you do not actually work 6 months for this employer, you will be liable for income taxes on all these wages, and may be subject to a penalty.

## IT-2104-SNY (2024) (back)

If you meet the conditions above, or expect to, file Form IT-2104-SNY with your employer. Otherwise, your employer must withhold New York State income tax (and New York City and Yonkers personal income tax, if applicable) from your wages. Do **not** send this form to the New York State Tax Department.

If your employer's participation in the START-UP NY program is suspended or terminated during the tax year, and you would have otherwise qualified to exclude your wages from NYAGI, you may still claim exemption from withholding for wages paid by this employer for the rest of the year. However, you cannot exclude your wages from NYAGI unless you work at least 6 months of the tax year exclusively at the business's location.

**Liability for estimated tax** – You may still have a New York State personal income tax liability (and New York City and Yonkers personal income tax, if applicable) if you have other taxable income, and may need to make required estimated tax payments (see Form IT-2105, *Estimated Tax Payment Voucher for Individuals*, for more information).

**A penalty of \$500** may be imposed for furnishing false information that decreases your withholding amount.

**When to claim exemption from withholding** – File this form with your employer if you meet (or expect to meet) the required conditions listed above. **You must file a new form each year if you wish to continue to claim the exemption.**

## Employer

Enter your business name, employer identification number (EIN), and certificate number as it appears on your certificate of eligibility. By entering this information, you certify that you are an approved business certified in the START-UP NY program that is in compliance with the eligibility requirements with this assigned certificate number (see our website at [www.tax.ny.gov](http://www.tax.ny.gov) for more information).

Do not withhold New York State income tax from the wages of an employee who meets the eligibility requirements and files this form with you. Keep this form for your records to be provided upon request for inspection. Do **not** send it to the New York State Tax Department. This form must be filed **each year** by your employee to claim exemption.

You may **not** use this form to report newly-hired or re-hired employees: go to <https://www.nynewhire.com> to see how to report new hires.

**Note:** If your participation in the START-UP NY program is suspended or terminated during the tax year, an employee who would otherwise be eligible for exemption from withholding for New York State personal income tax (and New York City and Yonkers personal income tax, if applicable) is still eligible for exemption from withholding for wages paid by you for the rest of the year (provided it is anticipated the employee will work at least 6 months during the year exclusively at your business location).

## Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request for personal information, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our website, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

## Need help?

For help completing this form, **employees** may call (518) 457-5181, and **employers** may call (518) 485-6654.

Visit our website at [www.tax.ny.gov](http://www.tax.ny.gov)

- get information and manage your taxes online
  - check for new online services and features
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