Rockland County IDA Extends Deadlines, Waives Rules to Get Data Centers Bonus State and Local Subsidies Worth Tens of Millions

Rockland County IDA Board Appointed by County Executive Puts Data Centers Before Sensible Public Investment

Data centers in Rockland County routinely received millions in additional sales tax subsidies and more time to make purchases to utilize them, even when they deviated from the IDA's own standards and policies. These additional benefits and flexible accommodations came even as data centers received a whopping $239 million in sales and mortgage recording tax exemptions from the Rockland County IDA, as detailed in the first installment of Reinvent Albany's series examining data center project subsidies.

Reinvent Albany strongly supports Governor Hochul's call to end public subsidies for data centers. The facts in Rockland County, New York State, and nationally clearly show that massive and recurring state and local subsidies for data centers create very few permanent jobs, meager property taxes, and only a tiny overall stimulus to local and regional economic growth — especially compared to any kind of traditional public investment in clean water, roads, or other infrastructure.

Key Findings

- Morgan Stanley received additional benefits that increased its sales tax exemptions by $12 million to $19.253 million, citing increased project costs. The company also obtained extended time to make its initial purchases by 4 years, enabling the company to receive $1.2 million more in subsidies even while Morgan Stanley has only produced 2 of the 4 promised jobs during the two-year initial benefit period, an apparent default event in its contract.
- DataBank Holdings LTD got 3 additional years to make purchases, giving the company $7.8 million more in sales tax subsidies, and received a $2.1 million mortgage recording tax exemption from the Rockland County IDA when its project funding sources changed.

- Ramland Holdings had its deadlines to use over $5 million in subsidies extended twice, from 2018 to 2024, after it missed three separate deadlines for different portions of the subsidies.
- J.P. Morgan received $76.7 million in sales tax exemptions over twenty years only because the Rockland County IDA abandoned its UTEP standard of typically providing tax exemptions for just 3 years.
- The only instance of additional benefits not being granted was when CoreWeave withdrew its request for $50.5 million more in sales tax exemptions the day after Reinvent Albany released an analysis showing J.P. Morgan received $77M for one full-time job for its Datacenter II project.

The findings were based on a review of project documents for individual data centers spread across four sites: DataBank Holdings and its tenant CoreWeave; 1547 and the previous site owner Ramland Holdings LLC, and its tenants Morgan Stanley, Point72, and Natixis; J.P. Morgan Chase's two data centers; and Bloomberg's single data center.

Previous Reinvent Albany Reports on Data Centers

- Eight of Nine Data Centers in Rockland Offer No Reason Why They Should Get Massive Public Subsidies
- NY Taxpayers Giving at Least $321 Million to Rockland County Data Centers
- Recommendations for ESD's Community Investment Framework for Governor's Data Center Moratorium
- Support for Bill Banning Data Center Subsidies
- Support for Gov. Hochul's Commitment to Pass Law Banning IDA Sales Tax Breaks for Data Centers
- NY Taxpayers Spend $77M for One JP Morgan Data Center Job; By Far Largest Subsidy/Job in History

Extending the Time to Claim Sales Tax Exemptions

One way data center companies claimed more sales tax exemptions for equipment purchased for data center buildouts was by extending the period during which companies could make tax-exempt purchases. This enabled companies to claim at least $8.2 million more in sales tax breaks than they otherwise could have.

DataBank Holdings

DataBank Holdings LTD, which received $9.87 million in promised sales and mortgage recording tax exemptions while creating just 11 full-time jobs, initially received two years to claim $7,769,647 in state and local sales tax abatements on purchases of $92,771,900 in construction materials and mechanical, electrical, and plumbing-related equipment. The inducement resolution signed August 31, 2021 gave the company until

August 31, 2023 to make $92.8 million in expenditures to claim sales exemptions. DataBank did not make the purchases in time. In 2025, apparently after already receiving an extension not shown in project documents available on the Rockland County IDA's website, DataBank went back to the IDA for another extension. The IDA gave them another year — until 12/31/26 — to claim their $7.8 million in sales tax exemptions that were supposed to be completed by August 31, 2023. A tax extension resolution was passed by the IDA on February 24, 2024, "based upon representations by DataBank that there has been a delay in the completion of the Project caused by unforeseen circumstances encountered in securing the requisite building approvals for the Project, which delay has extended DataBank's planned construction schedule."

Morgan Stanley

Morgan Stanley similarly received a sales tax exemption extension for its data center project. Morgan Stanley initially received $7,252,848 in promised sales tax exemptions on plans to buy $86,601,176 in equipment at the data center co-location facility owned by 1547 CSR in the Hamlet of Orangeburg. But by September 2023, Morgan Stanley did not believe it could make the purchases by the July 29, 2025 deadline. It sent a letter to the IDA requesting a 4-year extension. The IDA extended the deadline in October 2023 for 4 years to July 29, 2029, allowing Morgan Stanley to claim more sales tax exemptions for equipment purchases. As of the end of 2025, Morgan Stanley had claimed $6.1 million in sales tax exemptions — the extension has enabled them to claim another $1.2 million in exemptions they otherwise would not have been able to.

The 4-year extension followed another concession granted to Morgan Stanley when the IDA enabled it to receive $2 million in sales tax exemptions before their straight lease for the equipment agreement was finalized. In an amended authorizing resolution adopted on March 17, 2022, the IDA states, "the Company has requested, prior to the closing of the Straight Lease Transaction, a pre-closing Sales Tax Letter in an amount of expenditures not to exceed $23,880,597.00 with an exemption of sales tax of up to $2,000,000.00 pending the closing of the Straight Lease Transaction." Morgan Stanley had cited long lead times for the delivery of equipment and materials to be purchased.

Ramland Holdings LLC

Ramland Holdings LLC was originally granted $4,968,500 in sales tax exemptions for the redevelopment and renovation of an existing 232,000-square-foot building and the acquisition and installation of machinery and equipment at the location, to be used as a co-location data center and administrative offices. Ramland had to use $2.546 million of its subsidies by November 2018 and another $2,512,500 by October 2019. The IDA extended both those deadlines, synchronizing them to October 20, 2021. But Ramland did not utilize its $3.179 million in subsidies by the extended deadline, saying the

project had been slowed by COVID. The Rockland IDA then unanimously voted to give Ramland a second extension to July 14, 2024 on July 15, 2021.

Increasing the Amount of Sales Tax Exemptions

The IDA not only gave companies more time to make purchases and claim sales tax exemptions, but they also simply increased the dollar value of exemptions when requested by the company.

Morgan Stanley

Morgan Stanley initially received $7,252,848 in promised sales tax exemptions on plans to buy $86,601,176 in equipment at the data center co-location facility owned by 1547 CSR in the Hamlet of Orangeburg. On February 2, 2026, the company received unanimous approval from the Rockland County IDA for $12,000,697 more in sales tax exemptions it sought – for a total of $19,253,456 – on expenditures of $229,893,084 to "pay for the increased costs of the project." These additional sales tax exemptions were on top of approvals to use sales tax exemptions before a straight lease agreement on the equipment was signed and to obtain a 4-year extension to make purchases.

DataBank Holdings

DataBank, which received an extension to claim sales tax exemptions on purchased equipment, also received an increase in the amount. DataBank had intended to fund its project through a mix of cash and equity. But DataBank's national financing strategy changed when they decided to take loans from lenders because demand to grow data centers increased. DataBank did this by taking out a mortgage to secure project funding rather than relying on equity and cash alone. DataBank then sought a $2,096,052 mortgage recording tax exemption from the Rockland County IDA, claiming they would reinvest a portion of the funds in the project. In granting the mortgage recording tax break, the IDA stated that project costs have increased to DataBank because they are no longer self-funding and construction costs have increased.

Bloomberg

For the Bloomberg project, the sales tax exemption grew in size from a partial exemption of $31,600,000 on $570,000,000 in equipment purchases in the application in April 2013 to a full sales tax exemption of $36,400,000 on just $435,000,000 in purchases, or 8.375%, in the May 2013 authorizing resolution for the project. Bloomberg was granted $4.8 million more in sales tax exemptions five weeks after submitting its application. Oddly, Bloomberg only claimed $13 million of the $36.4 million in exemptions, and the project ended in 2023, according to data submitted to the Authorities Budget Office (ABO) by Rockland County. However, the increase still reflects an IDA that was willing to concede to company requests in short order.

Deviating from IDA Subsidy Guidelines & Failing to Clawback Benefits for Unfulfilled Commitments

Rockland County also did not follow its own Uniform Tax Exemption Policy (UTEP) for certain data center projects, deviating significantly from its stated exemption guidelines.

J.P. Morgan

J.P. Morgan received a stunning $112.22 million in subsidies for its two data center projects in the Hamlet of Orangeburg in addition to a PILOT (Payment in Lieu of Taxes), which lowers its property taxes. Reinvent Albany previously exposed that J.P. Morgan received $76.7 million in sales tax exemption commitments for the second project — a data center expansion — for a commitment to create just one full-time job. In providing $76.7 million in sales tax exemptions over twenty years, the Rockland County IDA abandoned its UTEP standard of typically providing tax exemptions for just 3 years. Although they have a carveout for additional time deemed appropriate, it's hard to imagine that means a term 7 times longer than what is standard. This 3-year period for claiming sales tax exemptions is also referenced in the Bloomberg project from 2013, where the deviation was voted on separately, something not referenced in the J.P. Morgan project documents. Presuming the 3-year standard has been in place since 2013, the Rockland County IDA deviated from it not only for the Bloomberg project and J.P. Morgan data center expansion, but also for the Morgan Stanley, DataBank Holdings, and Ramland Holdings projects.

Morgan Stanley

Rockland County IDA admirably has in its straight lease agreements an entire boilerplate section entitled "Recapture of Agency Benefits." It enables Rockland County to recoup benefits if a default event occurs, which includes "the failure of the lessee to meet the job predictions set forth in the application." Morgan Stanley promised to create just 4 jobs within 2 years of the completion of the renovations of a portion of the unutilized property at 1 Ramland Road for data center operations. The construction work appears to have been completed by the end of 2023. Yet as of the end of 2025 — 2 years later — Morgan Stanley has only produced 2 of the 4 promised jobs. There is no indication Rockland County IDA has sought to recapture benefits even though it appears a default event has occurred. At the same time, Morgan Stanley has received a 4-year extension to claim its sales tax exemptions, $6.1 million of which it has already claimed for producing half of its committed jobs.

Changes Halting Projects or Subsidies Only Came from Public Pressure

While the project documents reveal multiple instances described above where the Rockland County IDA accommodated additional company requests, there were instances in which companies did not get what they wanted because of public outcry.

CoreWeave

On April 1, 2026, CoreWeave sent a letter to the IDA indicating they would be spending an additional $600 million on top of their initial $600 million investment, for a total of $1.2 billion. They requested that the maximum sales tax exemption be lifted to reflect the new $600 million investment, claiming the additional investment will "increase local spending, job creation, and long-term tax base contributions." This would have given CoreWeave another $50.25 million in sales tax exemptions on top of the $50.25 million they already received, for a total of $100.5 million. On April 20, Reinvent Albany released an analysis showing J.P. Morgan received $77M for one full-time job for its Datacenter II project. The next day, a scheduled April 30th public hearing on CoreWeave's request was cancelled as CoreWeave decided not to consider such additional financial aid. There is no indication they did not proceed with the additional $600 million investment without the extra subsidies.

DataBank Holdings

DataBank tried to expand its existing project to 30 megawatts (MW) from 15MW, but the Orangetown County Planning Board voted unanimously to require a SEQRA in July, temporarily stalling the expansion. Unlike the empty hearing rooms for many project approvals, environmental groups and community residents turned out in large numbers for the vote by the Planning Board, with the room packed with 112 people and 40 others forced to remain outside due to capacity issues.

There has been such an outcry over data centers receiving excessive subsidies while negatively impacting communities that even the Town of Orangetown, a data center hub established by the Rockland County IDA's project approvals, passed a six-month moratorium on August 25, 2026. However, the DataBank project is not covered by the moratorium.