



McKinven Consulting Group

Business in United States 2019



Local strength, global structure

Economy Profile of United States

*Doing Business 2019 Indicators
(in order of appearance in the document)*

Starting a business	Procedures, time, cost and paid-in minimum capital to start a limited liability company
Dealing with construction permits	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
Getting electricity	Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs
Registering property	Procedures, time and cost to transfer a property and the quality of the land administration system
Getting credit	Movable collateral laws and credit information systems
Protecting minority investors	Minority shareholders' rights in related-party transactions and in corporate governance
Paying taxes	Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as post-filing processes
Trading across borders	Time and cost to export the product of comparative advantage and import auto parts
Enforcing contracts	Time and cost to resolve a commercial dispute and the quality of judicial processes
Resolving insolvency	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
Labor market regulation	Flexibility in employment regulation and aspects of job quality

About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of labor market regulation. Although *Doing Business* does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

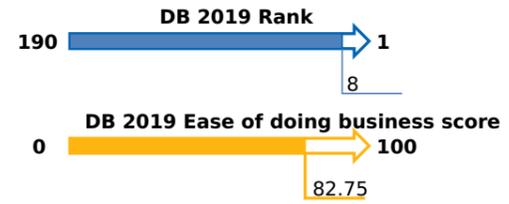
In addition, *Doing Business* offers detailed **subnational reports**, which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

The first *Doing Business* report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

Ease of Doing Business in United States



Region	OECD high income
Income Category	High income
Population	325,719,178
City Covered	New York City, Los Angeles

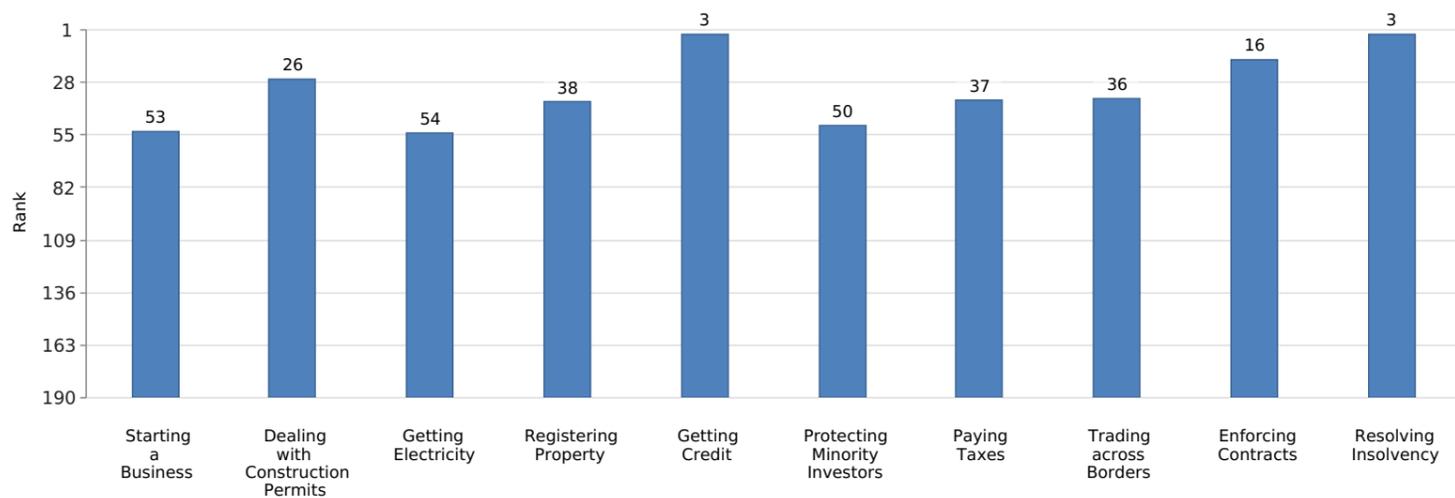


DB 2019 Ease of Doing Business Score

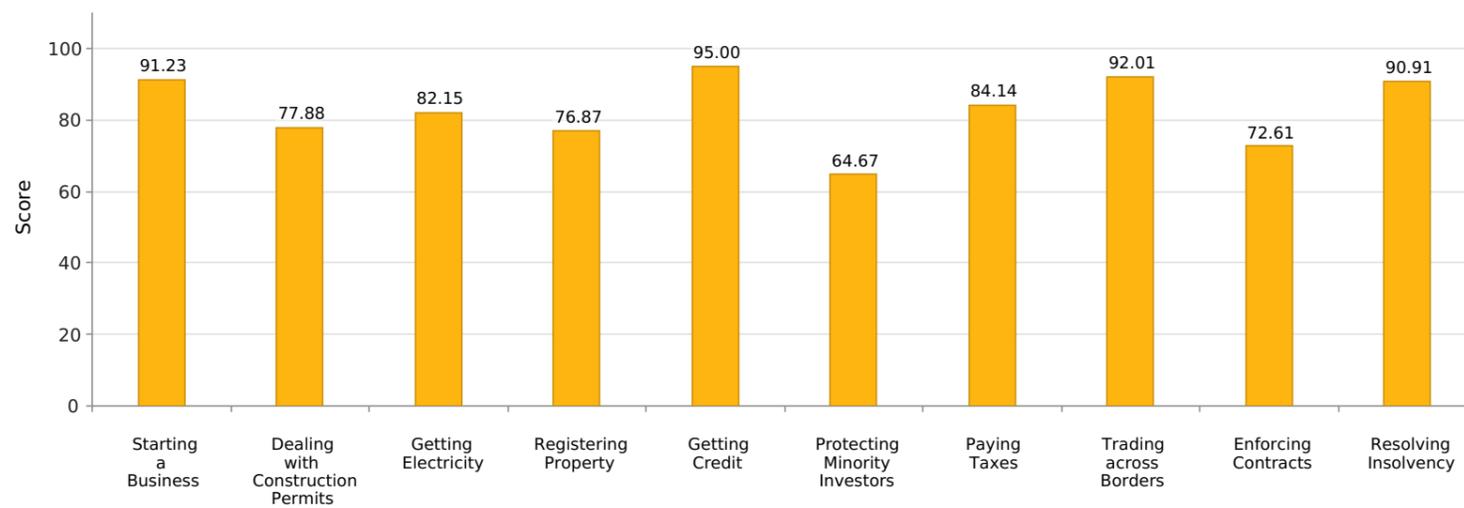


Note: The ease of doing business score captures the gap of each economy from the best regulatory performance observed on each of the indicators across all economies in the *Doing Business* sample since 2005. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190.

Rankings on Doing Business topics - United States



Ease of Doing Business Score on Doing Business topics - United States



Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2018.

What the indicators measure	Case study assumptions
<p>Procedures to legally start and formally operate a company (number)</p> <ul style="list-style-type: none"> • Preregistration (for example, name verification or reservation, notarization) • Registration in the economy's largest business city • Postregistration (for example, social security registration, company seal) • Obtaining approval from spouse to start a business or to leave the home to register the company • Obtaining any gender specific document for company registration and operation or national identification card <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day (2 procedures cannot start on the same day) • Procedures fully completed online are recorded as ½ day • Procedure is considered completed once final document is received • No prior contact with officials <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes • No professional fees unless services required by law or commonly used in practice <p>Paid-in minimum capital (% of income per capita)</p> <ul style="list-style-type: none"> • Funds deposited in a bank or with third party before registration or up to 3 months after incorporation 	<p>To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.</p> <p>The business:</p> <ul style="list-style-type: none"> - Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office. - Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - The entire office space is approximately 929 square meters (10,000 square feet). - Is 100% domestically owned and has five owners, none of whom is a legal entity; has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita. - Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes. - Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to the income per capita. - Does not qualify for investment incentives or any special benefits. - Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals. - Has a company deed that is 10 pages long. <p>The owners:</p> <ul style="list-style-type: none"> - Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old. - Are sane, competent, in good health and have no criminal record. - Are married and the marriage is monogamous and registered with the authorities. - Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.

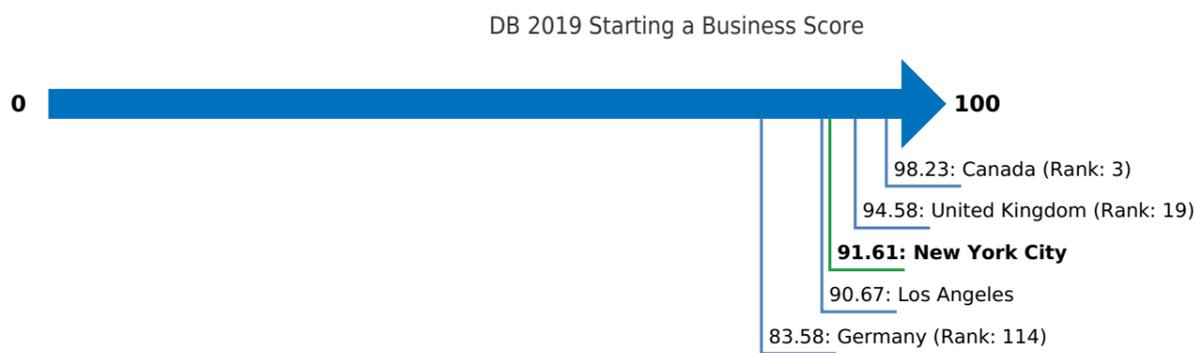
Starting a Business - New York City

Standardized Company

Legal form	NY Limited Liability Company
Paid-in minimum capital requirement	USD 0
City Covered	New York City

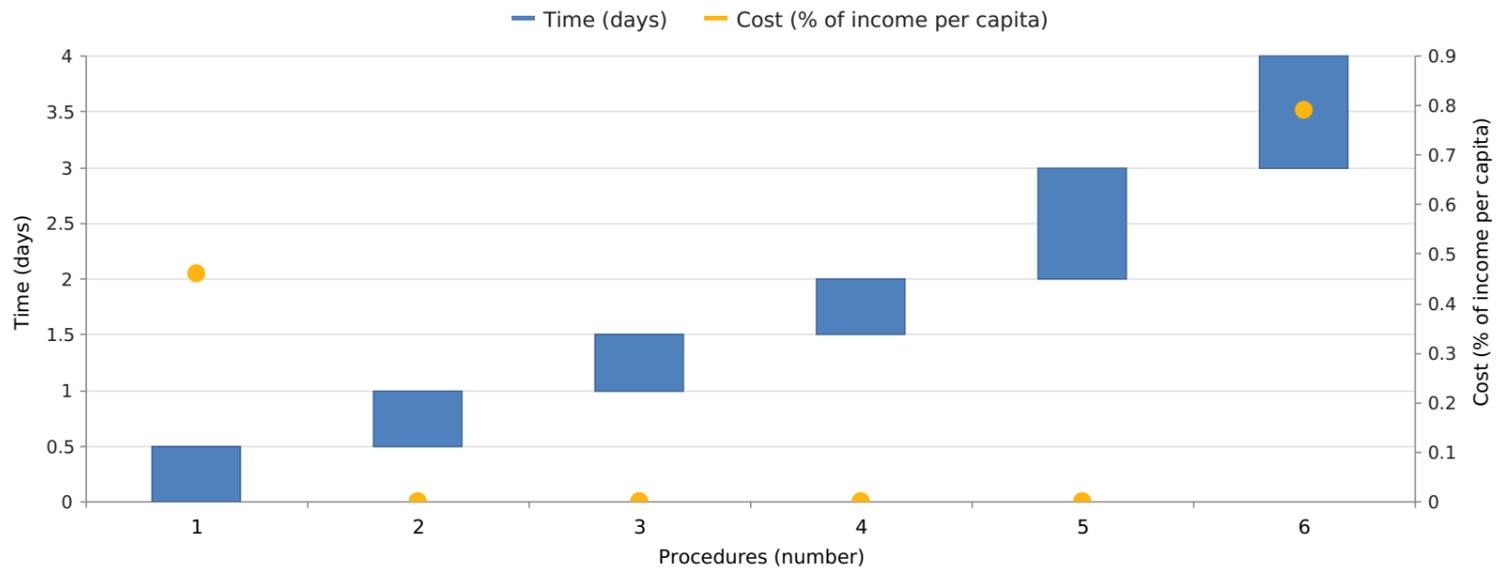
Indicator	New York City	OECD high income	Best Regulatory Performance
Procedure - Men (number)	6	4.9	1 (New Zealand)
Time - Men (days)	4	9.3	0.5 (New Zealand)
Cost - Men (% of income per capita)	1.2	3.1	0.0 (Slovenia)
Procedure - Women (number)	6	4.9	1 (New Zealand)
Time - Women (days)	4	9.3	0.5 (New Zealand)
Cost - Women (% of income per capita)	1.2	3.1	0.0 (Slovenia)
Paid-in min. capital (% of income per capita)	0.0	8.6	0.0 (117 Economies)

Figure - Starting a Business in New York City and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure - Starting a Business in New York City - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women.

Details - Starting a Business in New York City - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Reserve the company's business name (optional), file the company's articles of organization and adopt the company's operating agreement <i>Agency</i> : New York State Department of State, Division of Corporations The company founders may reserve the name of the company with the New York State Department of State Division of Corporations prior to filing the company's articles of organization. To reserve a name, the founders should file an application for Reservation of Name and pay a fee of USD 20. The name reservation can be done online at the following: http://www.dos.ny.gov/corps/lccorp.html . The application holds the name for 60 days and may be extended twice for additional periods of 60 days. The fee to extend the reservation of name is also USD 20. The company name must contain the words "Limited Liability Company," "L.L.C.," or "LLC."</p> <p>The founders must file the company's articles of organization with the New York Department of State Division of Corporations. Forms can be purchased at a legal supply store or downloaded from the department's website. The application processing time is about seven business days. However, optional expedited processing is available according to the following fee schedule:</p> <ul style="list-style-type: none"> - 2-hour turnaround: USD 150 (additional fee) - Same-day service: USD 75 (additional fee) - 24-hour turnaround: USD 25 (additional fee) <p>New York State requires an LLC to have a written operating agreement but such agreement does not have to be filed with the state. The business members may enter into an operating agreement before, at the time of, or within 90 days after the filing of the articles of organization. Regardless of when such an agreement was entered into, it may be effective upon the formation of the LLC or at a later date specified in the operating agreement (provided, however, that under no circumstances shall an operating agreement become effective prior to the formation of such company). Section 203(e) of NY LLC Law contains specific requirements as to what is required to be in the articles of incorporation.</p>	Less than one day (online procedure)	USD 275 (USD 200 filing fee, USD 75 expedited service fee)
2	<p>Apply for federal identification number (EIN) for tax and employer purposes <i>Agency</i> : US Internal Revenue Service The company needs to apply for a federal Employer Identification Number ("EIN"), which is used for tax and employer purposes. Founders must file IRS Form SS-4 (available from the US Internal Revenue Service).</p> <p>It is possible to apply online at http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Employer-ID-Numbers-EINs (processing time: immediate), by telephone (processing time: immediate), by fax (processing time: 4 business days), or by mail (processing time: 4 weeks). If applicants apply online, they do not need fill out IRS Form SS-4.</p>	Less than one day (online procedure)	no charge
3	<p>Register to collect state sales tax <i>Agency</i> : New York State Department of Taxation and Finance Businesses that "sell taxable tangible personal property, perform taxable services, receive amusement charges, or operate a hotel or motel, and restaurants, taverns, or other establishments that sell food and drink" must register as a sales tax vendor and obtain a Certificate of Authority, as well as those businesses that buy and sell for resale (for example, a wholesale distributor). See the Department of Taxation and Finance's Official Publication 750, "A Guide to Sales Tax in New York State."</p> <p>To register, the founders must file Form DTF-17 or register online at the website of the New York State Department of Taxation and Finance (http://www.tax.ny.gov/). After the company has registered, it generally must file quarterly sales and use tax returns regardless of whether it has started or done any business.</p> <p>If the company expects to make taxable sales in the State of New York, it must register with the Tax Department at least 20 days before it begins business. New York State will then send to the company a Certificate of Authority which must be displayed at your place of business at all times.</p>	Less than one day (online procedure)	no charge

4	Register as an employer with the Unemployment Insurance Division at the State Labor Department	Less than one day (online procedure)	no charge
<p><i>Agency</i> : New York State Department of Labor</p> <p>Founders must register as an employer by completing Form NYS-100 to determine whether or not the company is liable under the New York State Unemployment Insurance Law. If the company is determined liable, the Department of Labor will send the company quarterly combined withholding, wage reporting and unemployment insurance returns for reporting wages paid to the company's employees. General business employers may register online at the New York State Department of Labor website (https://applications.labor.ny.gov/eRegWeb/registerEmployer/uiEPMWelcomeMain.faces) or by completing Form NYS-100 and submitting it by mail or fax.</p>			
5	Arrange for workers' compensation and disability insurance	1 day	no charge
<p><i>Agency</i> : New York State Workers' Compensation Board</p> <p>As New York employers, the LLC founders must obtain and maintain workers' compensation insurance and disability insurance for its employees by purchasing a workers' compensation insurance policy and a disability benefits insurance policy from an authorized private insurance carrier or through the NYS Insurance Fund (or by self-insurance for workers' compensation).</p> <p>The company's federal Employer Identification Number ("EIN") is the company's primary identification with respect to communications with the Workers' Compensation Board or by becoming a member of a group self-insurer authorized by the board. The company must give its EIN to its insurance carrier when obtaining or maintaining its workers' compensation or disability coverage. Workers' compensation insurance floor is calculated using each employee's risk classification, salary, and total payoff.</p> <p>Each "covered employer" must post and maintain at the place of business a prescribed form, Notice of Compliance, Form DB-120, stating that the provisions have been named for the payment of disability benefits to all eligible employees. An employer who has employed in New York State one or more employees at least 30 days in any calendar year is a "covered employer" subject to the Disability Benefits Law after the expiration of four weeks following the 30th day of such employment (WCL §202). These 30 days of employment need not be consecutive days.</p>			
6	Arrange for publication and submit certificate and affidavits of publication	1 day	USD 450-500
<p><i>Agency</i> : New York State Department of State, Division of Corporations</p> <p>Section 206 of the New York State Limited Liability Company Law requires that within 120 days (after the effectiveness of the initial articles of organization), a limited liability company (LLC) must publish in two newspapers a copy of the Articles of Organization or a notice related to the formation of the LLC once a week for six successive weeks. The newspapers must be designated by the county clerk of the county in which the office of the LLC is located, as stated in the Articles of Organization. One newspaper must be "printed daily" and the other "printed weekly."</p> <p>The State of New York website has a directory of all New York county websites (http://www.nysegov.com/citguide.cfm?context=citguide&content=munibycounty1), which entrepreneurs can use as a reference to find their relevant county for publishing. The cost of notice of publication varies by county.</p> <p>After publication, the printer or publisher of each newspaper will provide the entrepreneur with a Certificate of Publication, with the affidavits of publication of the newspapers attached. It must be submitted to the New York Department of State, Division of Corporations, One Commerce Plaza, 99 Washington Avenue, Albany, NY 12231. The fee for filing the Certificate of Publication is USD 50.</p>			

→ Takes place simultaneously with previous procedure.

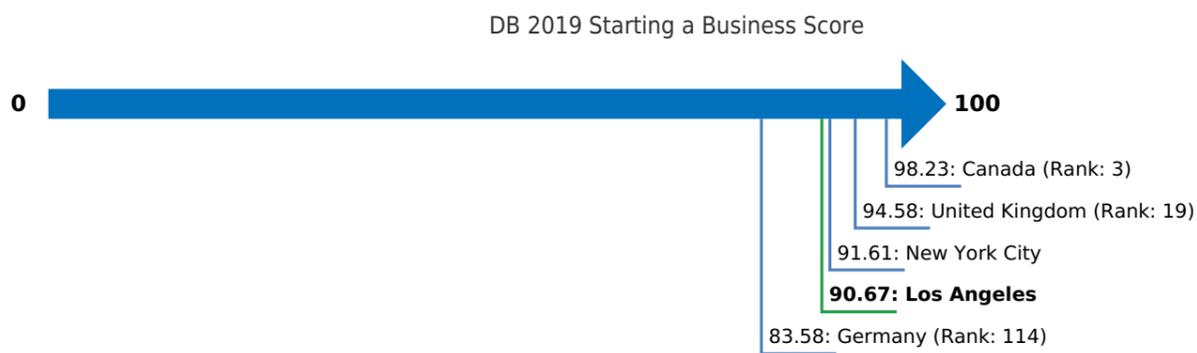
Starting a Business - Los Angeles

Standardized Company

Legal form	Limited Liability Company
Paid-in minimum capital requirement	USD 0
City Covered	Los Angeles

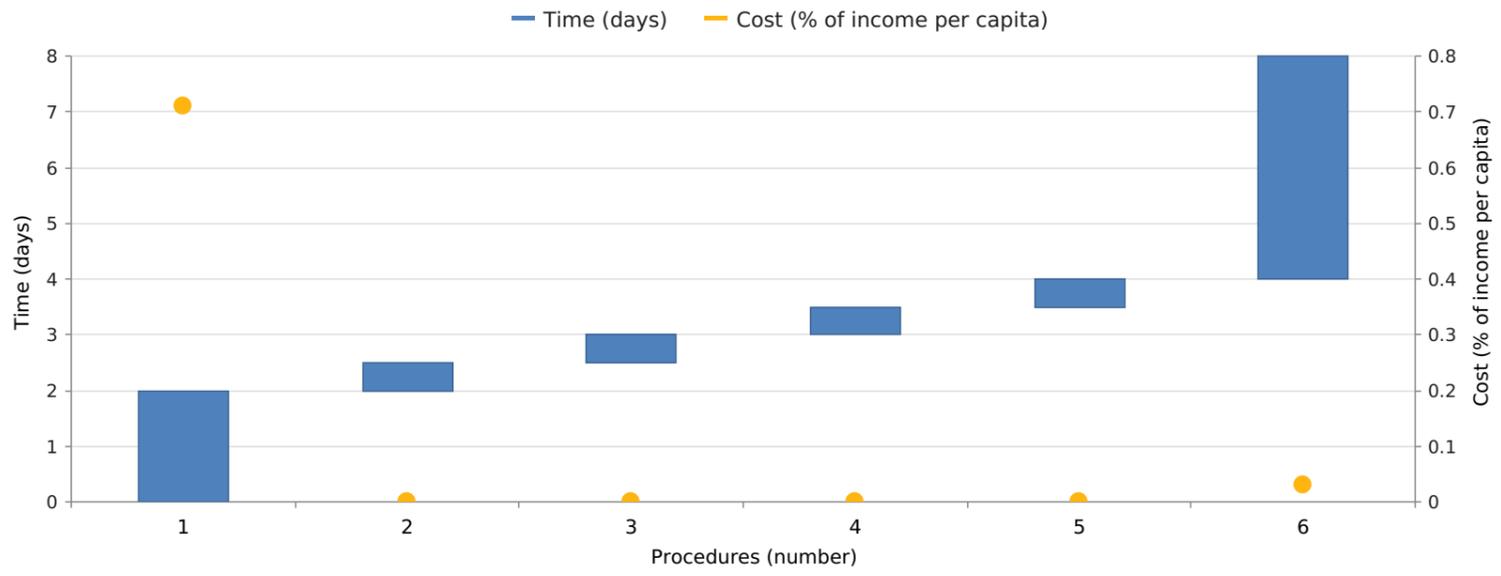
Indicator	Los Angeles	OECD high income	Best Regulatory Performance
Procedure - Men (number)	6	4.9	1 (New Zealand)
Time - Men (days)	8	9.3	0.5 (New Zealand)
Cost - Men (% of income per capita)	0.7	3.1	0.0 (Slovenia)
Procedure - Women (number)	6	4.9	1 (New Zealand)
Time - Women (days)	8	9.3	0.5 (New Zealand)
Cost - Women (% of income per capita)	0.7	3.1	0.0 (Slovenia)
Paid-in min. capital (% of income per capita)	0.0	8.6	0.0 (117 Economies)

Figure - Starting a Business in Los Angeles and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure - Starting a Business in Los Angeles - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women.

Details - Starting a Business in Los Angeles - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Reserve the company name and file the Articles of Organization <i>Agency</i> : California Secretary of State Organization of the company (i.e., company registration) has to be done in person at the Office of the Secretary of State of California located in Sacramento or can be mailed to the Office of the Secretary of State of California. The formation date is the date in which the document is received and accepted by the Secretary of State. The company may hire a "messenger" located in Sacramento to file on its behalf so that founders do not have to personally go to the Secretary of State office. The fee for hiring a messenger would be USD 20 in addition to the official company organization fees.</p> <p>The name of the limited liability company may not contain the words "bank," "trust," "trustee," "incorporated," "inc.," "corporation," or "corp.," and the name must not contain the words "insurer" or "insurance company" or any other words suggesting that it is in the business of issuing policies of insurance and assuming insurance risks.</p> <p>Pursuant to Section 17702.01, Articles of Organization shall contain the below statement: The purpose of the Limited Liability Company is to engage in any lawful act or activity for which a limited liability company may be organized under the California revised uniform Limited Liability Company Act.</p> <p>The special handling fee or preclearance and expedited filing services are not applicable to documents submitted by mail. In addition to the time-frames specified in the previous years report, the Secretary of State offers a 4-hour expedited filing service for additional \$500.00 to those who precleared their documents, i.e. submitted their documents for review in advance and paid special fee.</p>	2 days (with 24-hour rush filing)	USD 70 (official fee for organization of an LLC) + USD 10 (name reservation fee) + USD 350 (24-hour rush fee)
2	<p>Apply for a Federal Employer Identification Number (EIN) <i>Agency</i> : US Internal Revenue Service The company needs to apply for the federal employer identification number ("EIN"), used for tax and employer purposes, founders must file IRS Form SS-4 (available from the US Internal Revenue Service).</p> <p>It is possible to apply online (processing time: immediate), by telephone (processing time: immediate), by fax (processing time: 4 business days) or by mail (processing time: 4 weeks).</p>	Less than one day (online procedure)	no charge
3	<p>Register for California State Sales Tax and Obtain Seller's Permit from the California Board of Equalization <i>Agency</i> : Board of Equalization Businesses that are either: (i) engaged in business in California; (ii) intend to sell or lease tangible personal property that would ordinarily be subject to sales tax if sold at retail (this includes wholesalers, manufactures and retailers.); or (iii) will make sales for a temporary period, normally lasting no longer than 90 days at one or more locations (for example, fireworks booth, Christmas tree lots, garage sale) must register for a seller's permit with Board of Equalization ("BOE").</p> <p>A company may register online at the BOE website or in person at one of the BOE field offices. After the company has registered, the BOE assigns a filing frequency (quarterly prepay, quarterly, monthly, fiscal yearly, yearly) based on your reported sales tax or your anticipated taxable sales at the time of registration.</p>	Less than one day (online procedure)	no charge

4	Register for taxes with the City of Los Angeles and Obtain the Tax Registration Certificate (TRC)	Less than one day (online procedure)	no charge
<p><i>Agency</i> : City of Los Angeles Office of Finance</p> <p>Pursuant to Section 21.03 of the Los Angeles Municipal Code (Imposition of Tax), every person engaged in any trade, calling, occupation, vocation, profession or other means of livelihood in the City of Los Angeles, must obtain a Tax Registration Certificate (TRC) and pay the required business tax due, specified in Sections 21.41 to 21.199 of the Business Tax Ordinance. The Office of Finance of the City of Los Angeles is responsible for the collection of business taxes. The amount of business tax due is based on the company's gross receipts generated during the previous reporting period, subject to applicable reductions under City Clerk Rulings.</p>			
<p>After submitting the online application, a temporary business tax registration certificate will be issued for the company to print and display at its place of business (please see below a sample TRC certificate for a Professional Corporation, similar to that of a Limited Liability Company as an example). A permanent certificate will be sent via mail and should arrive within 4 weeks from completing the online registration. Inspectors may sometimes pass by the business premises to make sure that this certificate is properly displayed and that the taxpayer company has fulfilled all of its tax duties.</p>			
5	Register for the California State Employer Payroll Tax Account Number	Less than one day (online procedure)	no charge
<p><i>Agency</i> : Employment Development Department</p> <p>All employers conducting business in California are subject to the employment tax laws of the California Unemployment Insurance Code (CUIC). Pursuant to Section 1086 of the California Unemployment Insurance Code, every employer in California must register for employer tax payroll number. Once a business hires an employee, the business is considered an employer and must register with the Employment Development Department (EDD) within 15 days after paying wages in excess of \$100 in a quarter. No distinction is made between full-time and part-time or permanent and temporary employees in meeting this requirement. Beginning January 1, 2017, Employers with 10 or more employees are now required to electronically submit employment tax returns, wage reports, and payroll tax deposits to the Employment Development Department.</p>			
6	File a Statement of Information with the California Secretary of State	4 days	USD 20
<p><i>Agency</i> : California Secretary of State</p> <p>Pursuant to Article 2 (Formation: Articles of Organization and Other Filings [17702.09]) of the California Revised Uniform Limited Liability Company Act (RULLCA), every registered limited liability company must file a Statement of Information with the Secretary of State in Sacramento within 90 days after filing of its original Articles of Organization. In addition, a Statement of Information must be filed every 2 years thereafter during the applicable filing period. The Statement of Information is to be filed on form LLC-12 by mailing the form to the Secretary of State with a USD 20 filing fee. It can also be delivered in person to the Secretary of State's Sacramento office.</p>			

→ Takes place simultaneously with previous procedure.

Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2018.

What the indicators measure	Case study assumptions
<p>Procedures to legally build a warehouse (number)</p> <ul style="list-style-type: none"> • Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates • Submitting all required notifications and receiving all necessary inspections • Obtaining utility connections for water and sewerage • Registering and selling the warehouse after its completion 	<p>To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.</p>
<p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule • Procedure is considered completed once final document is received • No prior contact with officials 	<p>The construction company (BuildCo):</p> <ul style="list-style-type: none"> - Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts. - Owns the land on which the warehouse will be built and will sell the warehouse upon its completion.
<p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes 	<p>The warehouse:</p> <ul style="list-style-type: none"> - Will be used for general storage activities, such as storage of books or stationery. - Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita. - Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures. - Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).
<p>Building quality control index (0-15)</p> <ul style="list-style-type: none"> • Quality of building regulations (0-2) • Quality control before construction (0-1) • Quality control during construction (0-3) • Quality control after construction (0-3) • Liability and insurance regimes (0-2) • Professional certifications (0-4) 	<p>The water and sewerage connections:</p> <ul style="list-style-type: none"> - Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built. - Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day. - Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

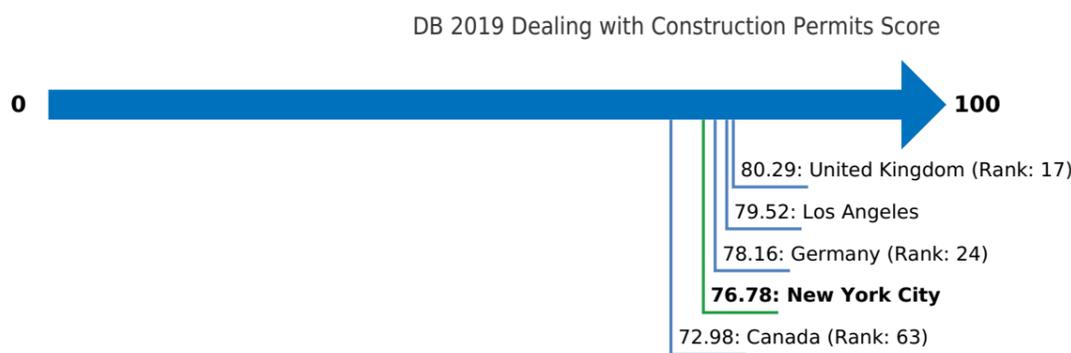
Dealing with Construction Permits - New York City

Standardized Warehouse

Estimated value of warehouse	USD 3,009,797.60
City Covered	New York City

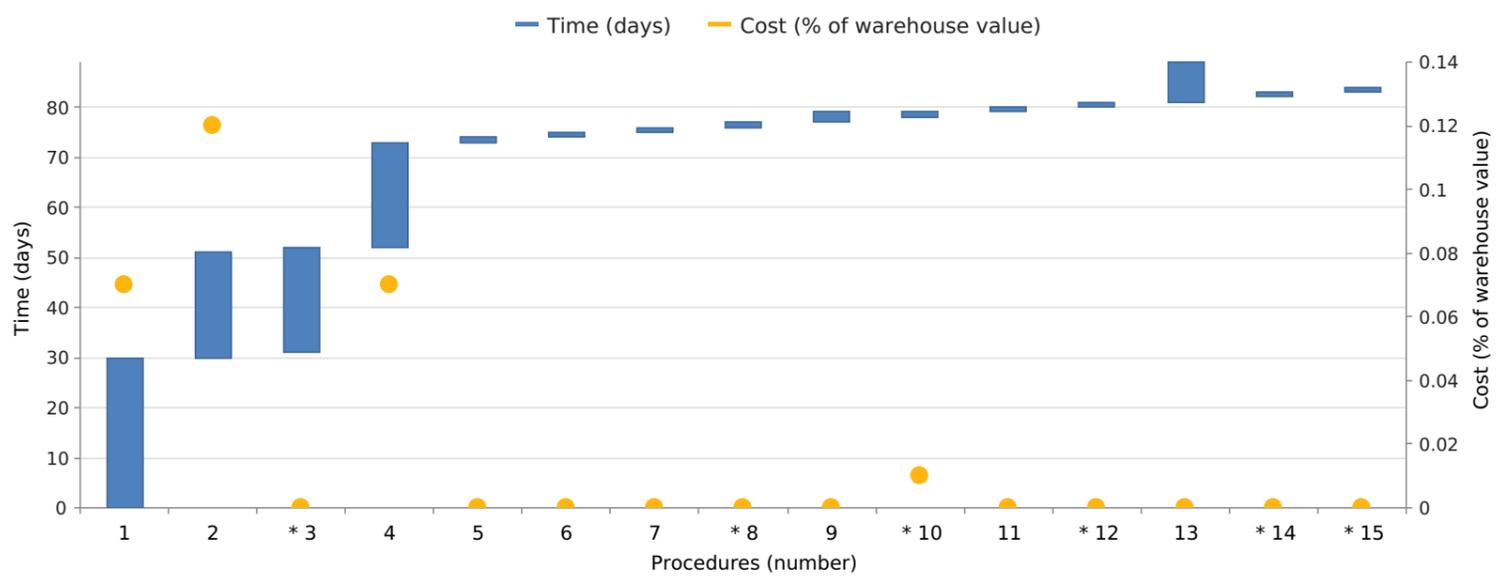
Indicator	New York City	OECD high income	Best Regulatory Performance
Procedures (number)	15	12.7	None in 2017/18
Time (days)	89	153.1	None in 2017/18
Cost (% of warehouse value)	0.3	1.5	None in 2017/18
Building quality control index (0-15)	10.0	11.5	15.0 (3 Economies)

Figure - Dealing with Construction Permits in New York City and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

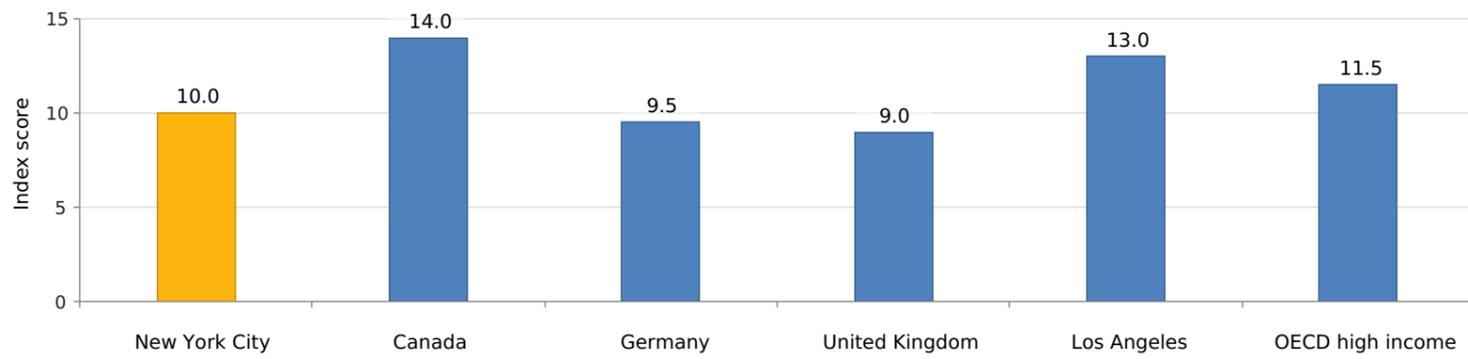
Figure - Dealing with Construction Permits in New York City - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women.

Figure - Dealing with Construction Permits in New York City and comparator economies - Measure of Quality



Details - Dealing with Construction Permits in New York City - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Submit the new Zoning Diagram (ZD1), PW1, Schedule A, Form TR2 & TR3 and obtain approval</p> <p><i>Agency : New York City Department of Buildings (DOB)</i> BuildCo must submit the Zoning Diagram (ZD1), PW1 and Schedule A. PW1 Plan/Work Approval Application must include information about the project such as a description, intended location, etc. However, separate PW1 applications must be filed for:</p> <ol style="list-style-type: none"> 1. General construction 2. Sprinkler protection 3. Fire alarm 4. Standpipe System 5. Boiler 6. Plumbing 7. Pavement 8. Foundation and earth work 9. Electrical 10. Elevator/lift (to comply with law on disability) <p>For Forms TR2 and TR3, the director of the licensed concrete laboratory must provide his/her name, sign and date the report, and place his/her seal in the space provided identifying responsibility of conducting the testing in accordance with Building Code 1905.6 and Building Code 1704.1.</p>	30 days	USD 2,040

2	Request and obtain plan approval from the New York City Department of Buildings (DOB)	21 days	USD 3,640
<p><i>Agency</i> : New York City Department of Buildings (DOB)</p> <p>The applicant must be either a Registered Architect (RA) or a Professional Engineer (PE) to submit the plans. The Department of Buildings (DOB) reviews construction plans to ensure that they comply with the Building Code and meet current safety standards and zoning requirements. Once plans are approved, a contractor or contractor's representative may apply for a construction work permit.</p> <p>Simple projects, as in the case of BuildCo, can opt for a fast-track service offered by the New York City Department of Buildings (DOB), called the Professional Certification Program. The program, introduced in 1996, enables registered architects and professional engineers to certify, through an affidavit signed by the owner, contractor, and all responsible professionals (architects, engineers, plumbers, and the like) that the plans they file with the department are in compliance with all applicable laws. This reduces the amount of time a builder normally would wait for a DOB permit by eliminating the process of DOB examination and approval of the plans.</p> <p>The professional certification must be submitted at the time of pre-filing and in advance. A professionally certified application goes through the same pre-filing, payment, and data entry process as normal applications:</p> <ul style="list-style-type: none"> • Information on the availability of a public sewer system • If a private sewage treatment plant is proposed, evidence of submission of plans for approval of such a plant to the department of environmental protection and the department of health as required by law • The lot diagram showing compliance with the zoning resolution • The foundation plans • The floor and roof plans showing compliance with exit requirements • The detailed architectural, structural, and mechanical drawings • General description of the proposed work <p>After analyzing the plans (assuming that all required documents are present), the DOB approves the application at the end of data entry.</p> <p>A professionally certified application does not go through plan examination. The applicant can check the application status by using the Buildings Information System and, upon approval, can retrieve the application folder from the DOB to apply for a permit. Twenty percent of all professionally certified applications are selected for audit within 10 days of first permit issuance. The audits for new projects may take place within 30 days after the application is issued.</p> <p>The overall time of application clearance is 5 days on average.</p> <p>According to the 2008 Building Code No. 26-212, the fee for the new building permit is USD 0.26 per square foot. The plumbing permit and foundation fee are calculated inside the above flat rate.</p> <p>The Building Code says that "fifty percent of the total fee for the work permit, but not less than one hundred dollars, or the total fee for the work permit where such fee is less than one hundred dollars, shall be paid by or on behalf of the owner or lessee of the building premises or property affected, and shall accompany the first application for the approval of plans or other statement describing the building work when submitted prior to submission of the permit application; and the whole or remainder of the total fee shall be paid before the work permit may be issued." Still, most companies of BuildCo's size would opt to pay the amount upfront, not in two separate transactions. Only for large projects is dividing the amount widespread.</p> <p>Starting in 2011, the NYC Department of Buildings began accepting digital plans for new buildings. While our contributors have noted that the processing time isn't any faster in practice than submitting in person, it does allow the applicant more project control and improved accessibility to the plan examiner and inter-agency communications, as well as online tracking of application progress.</p>			

⇒ 3	Submit application and receive Sewer Availability Certification	21 days	no charge
<p><i>Agency</i> : Department of Environmental Protection (DEP)</p> <p>Sewer certification application must be submitted by a New York State licensed Professional Engineer (PE) or Registered Architect (RA). Applicant submits 6 copies of the application form, signed and sealed by RA/PE, with signed cover letter, fees, attachments and completed checklist to DEP. DEP reviews the application to ensure it is accurate, complete and compliant with applicable DEP rules and regulations. DEP then issues Sewer Certification (valid for 2 years). Once the application is certified, the applicant is notified that it may be picked up from the DEP Borough Water and Sewer Office or it may be mailed upon request.</p>			

4	<p>Master Plumber applies for and receives Sewer Connection Permit</p> <p><i>Agency</i> : Department of Environmental Protection (DEP)</p> <p>The Licensed Master Plumber must apply for a Sewer Connection Permit prior to obtaining the work permit. DEP Bureau of Water and Sewer reviews the permit application for accuracy and completion. Licensed Master Plumber brings stamped DEP permit along with permit fees to DEP Bureau of Customer Service local office. Once the permit is approved, the Master Plumber can connect to water and sewage at any point during or after construction.</p>	21 days	USD 2,155
5	<p>Notarize signatures of contractor and site safety manager on work permit application form, PW2 form and cost affidavit form (PW3 form)</p> <p><i>Agency</i> : Notary</p> <p>The site safety manager must be an employee of BuildCo and possess a valid site safety manager certificate. The cost affidavit must be filed to certify estimated and actual costs, in order to obtain a work permit.</p> <p>A site safety manager or site safety coordinator must be designated and present at the construction or demolition of a major building in accordance with Section 3310 of the New York Building Code.</p>	1 day	USD 12
6	<p>Obtain work permit from the Department of Buildings (DOB)</p> <p><i>Agency</i> : Department of Buildings (DOB)</p> <p>After obtaining the Building permit, the company must request a work permit. The request should be accompanied by a copy of the current insurance policy of workers' compensation insurance. This procedure must be done by the contractor even if they are not the owner of the land. Different types of work require separate licenses. However, in one application, more than one permit can be requested. For instance, plumbing and construction work permits can be requested in the same application.</p> <p>For a warehouse, BuildCo must request a new building permit, a plumbing permit, and a foundation and earthwork permit. The request must include the detailed architectural, structural, and mechanical plans. One to two days prior to construction works, the company must notify the DOB by phone.</p>	1 day	no charge
7	<p>Submit notice to Department of Buildings on commencement of foundation and earthwork</p> <p><i>Agency</i> : New York City Department of Buildings (DOB)</p> <p>The foundation and earthwork permit shall be issued on the condition that the applicant provides a written notice to the Department of Buildings at least 24 hours, but no more than 48 hours prior to the commencement of the foundation or earthwork.</p>	1 day	no charge
⇒ 8	<p>Notify all the owners of adjacent plots about the works</p> <p><i>Agency</i> : Owners of adjacent plots</p> <p>Notification of adjacent owners, done 5 days prior to excavations for new building foundations, is necessary for obtaining the foundation and earthwork permit.</p>	1 day	no charge
9	<p>Request and obtain work permit from the Department of Transportation</p> <p><i>Agency</i> : Department of Transportation</p> <p>A Construction Activity Permit fee costs USD 50.00, and is valid for 90 days unless otherwise stated. Once the 90 days expire, the company buys another work permit for the remaining period of construction. Upon applying, the company gets an account number, and the next day obtains the work permit.</p> <p>Unless otherwise authorized, permits shall be kept at the work site or designated field headquarters at all times and shall be made available for inspection upon request of any police officer or any authorized employee of the Departments of Environmental Protection, Buildings, Police, and Transportation, or any other city employees specifically authorized by the Commissioner to enforce these rules.</p>	2 days	USD 50
⇒ 10	<p>Receive on-site inspection by the Department of Transportation (DOT) and obtain approval</p> <p><i>Agency</i> : Department of Transportation</p> <p>Approval from the Department of Transportation is granted after inspection.</p>	1 day	USD 320

11	<p>Request occupancy certificate from the Department of Buildings (DOB) <i>Agency</i> : Department of Buildings (DOB) Upon completion of construction, the company must arrange for DOB inspections. For construction and plumbing, the company should contact the borough office where property is located.</p> <p>After completion of satisfactory inspections and submission of the required fillings (including inspections reports), DOB issues a new certificate of occupancy that describes the legal use and occupancy of a property.</p> <p>Each application must be accompanied by an accurate and complete lot survey made by a licensed surveyor. If the certificate of occupancy application is not signed by a professional engineer or registered architect, the form must be notarized by an official notary public.</p> <p>To obtain the certificate of occupancy, the company must obtain the work permit/approval from the Bureau of Electrical Control, the Department of Environmental Protection, and the Department of Transportation. If these approvals have not yet been granted at the time of applying for the certificate of occupancy, a temporary certificate can be issued. The company then has a year to obtain all the necessary approvals.</p> <p>If the building does not comply with all the plans and the New York City building code, the company must make the necessary changes. Then the Department of Buildings inspects the warehouse again. This process is repeated until the building complies with all the rules. It is common to have 2 -- 3 inspections of this sort. Once the building passes the inspection, the issuance of the certificate of occupancy is immediate.</p>	1 day	no charge
⇌	<p>Receive final inspection by the Department of Buildings (DOB) <i>Agency</i> : Department of Buildings (DOB) The inspection takes place after all inspections (electricity, water and sewerage, and transport) have taken place.</p>	1 day	no charge
12			
13	<p>Obtain occupancy certificate from the Department of Buildings (DOB) <i>Agency</i> : Department of Buildings (DOB)</p>	8 days	USD 100
⇌	<p>Receive final inspection by the Department of Environmental Protection (DEP) and obtain approval <i>Agency</i> : Department of Environmental Protection (DEP) Approval from the Department of Environmental Protection is granted after inspection.</p>	1 day	no charge
14			
⇌	<p>Receive sewer connection inspection and obtain Certificate of Inspection <i>Agency</i> : Department of Environmental Protection (DEP) The licensed master plumber will notify DEP when sewer connection is ready for inspection. The trench must be open for any un-inspected length and all work on pipes, joints etc must be visible. The connection inspection must be scheduled at least 24 hours in advance. DEP will issue Certificate of Inspection after all works are in compliance with the sewer certification. The original Certificate of Inspection is stored with the DEP Borough Water and Sewer Office and a copy is sent to the plumber and DOB.</p>	1 day	no charge
15			

⇌ Takes place simultaneously with previous procedure.

Details - Dealing with Construction Permits in New York City - Measure of Quality

	Answer	Score
Building quality control index (0-15)		10.0
Quality of building regulations index (0-2)		2.0
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
Quality control before construction index (0-1)		1.0
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect.	1.0
Quality control during construction index (0-3)		0.0
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	No inspections are legally required during construction..	0.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are not always done in practice during construction.	0.0
Quality control after construction index (0-3)		3.0
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
Liability and insurance regimes index (0-2)		0.0
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	No party is held liable under the law.	0.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	No party is required by law to obtain insurance .	0.0
Professional certifications index (0-4)		4.0
What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	Minimum number of years of experience; University degree in architecture or engineering; Being a registered architect or engineer; Passing a certification exam.	2.0

What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)

Minimum number of years of experience; University degree in engineering, construction or construction management; Being a registered architect or engineer. 2.0

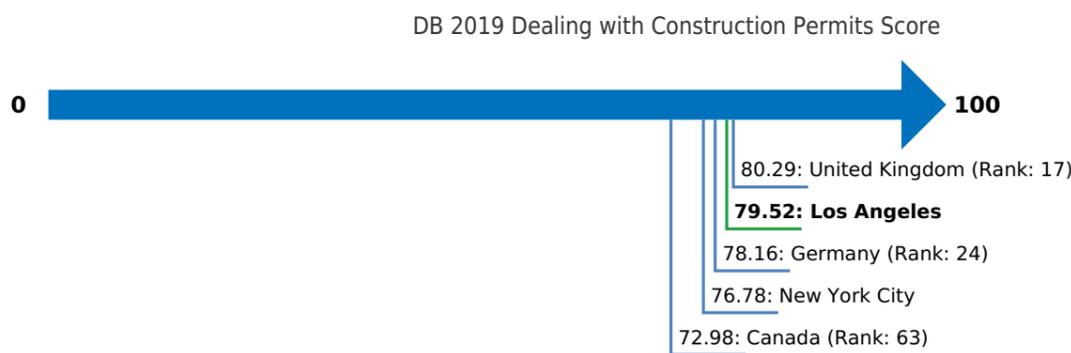
Dealing with Construction Permits - Los Angeles

Standardized Warehouse

Estimated value of warehouse	USD 3,009,797.60
City Covered	Los Angeles

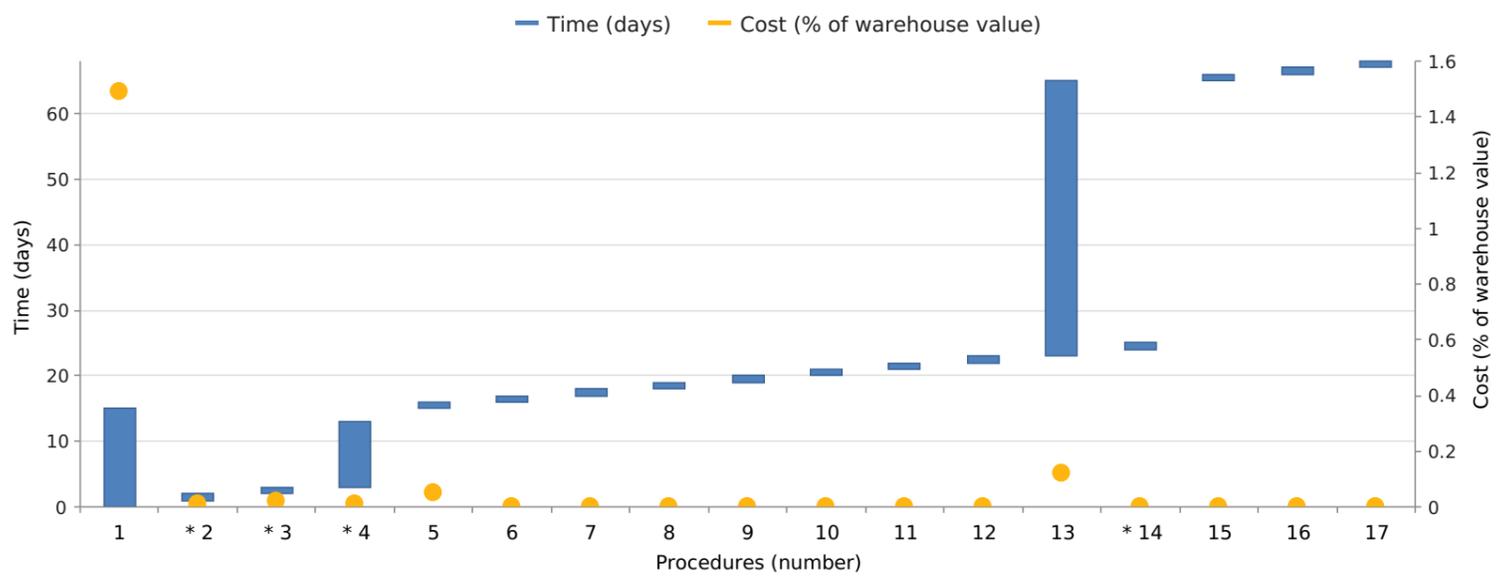
Indicator	Los Angeles	OECD high income	Best Regulatory Performance
Procedures (number)	17	12.7	None in 2017/18
Time (days)	68	153.1	None in 2017/18
Cost (% of warehouse value)	1.7	1.5	None in 2017/18
Building quality control index (0-15)	13.0	11.5	15.0 (3 Economies)

Figure - Dealing with Construction Permits in Los Angeles and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

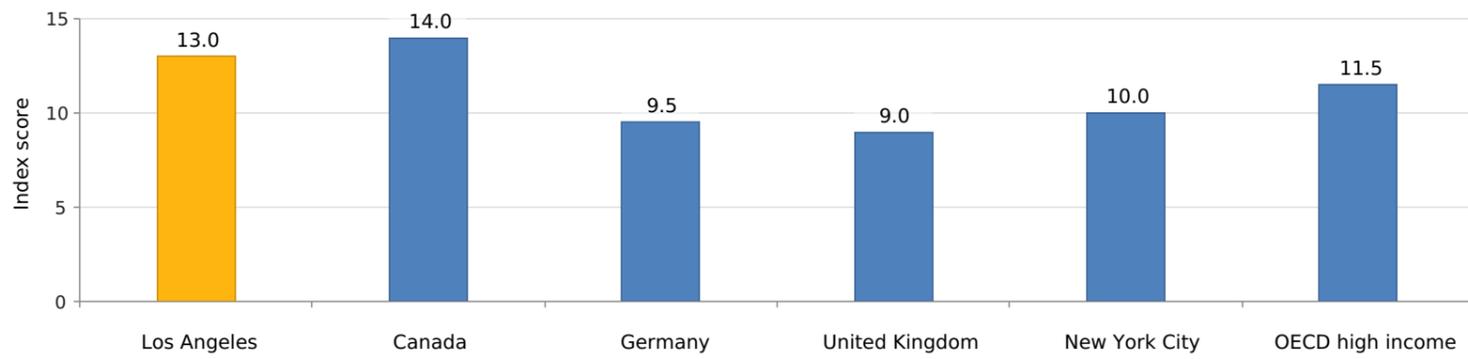
Figure - Dealing with Construction Permits in Los Angeles - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women.

Figure - Dealing with Construction Permits in Los Angeles and comparator economies - Measure of Quality



Details - Dealing with Construction Permits in Los Angeles - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Receive building plan check and permit</p> <p><i>Agency</i> : Department of Building and Safety (LADBS)</p> <p>Building plans are screened for completeness and accuracy. An option to expedite the plan check is available for an expedite fee of 50% of the plan check fee. Plans that are expedited are usually handled in 5 calendar days, as expedited plans can include weekend work, instead of the normal 3-4 week waiting period.</p> <p>Smaller projects such as tenant improvements and small offices may receive a counter plan check that takes only 45-60 minutes.</p> <p>Building plans must be submitted to the Department of Building and Safety, including:</p> <ul style="list-style-type: none"> • Description of the work to be covered by the permit. • Description of the land on which the proposed work is to be done, and the street address. • Description of the use for which the proposed work is intended. • Two sets of site plans, including all boundaries, lot lines, existing and proposed buildings and structures, neighboring public ways, and dimensions. • Valuation of any new building. • Be signed by the permittee, or an authorized agent. • Give such other data and information as may be required by the Superintendent of Building. <p>Building plan checks include electrical, mechanical, disabled access and structural plan checks. Grading plan checks may also be required if the location is in a hillside area. Mechanical plan checks may also be required when there are HVAC systems or elevators required. HVAC systems may be required if the building is in the desert areas, but would not be required in the beach or basin areas. BuildCo's warehouse is also not likely to require an elevator, according to the CBC Title 42 Chapter 11B, because it is fewer than three stories, and "a reasonable portion of [the] facilities and accommodations normally sought by the public... are accessible to and usable by persons with disabilities."</p> <p>Costs include:</p> <ul style="list-style-type: none"> Building permit fee (BP) - \$12177.68 Plan Check Fee (PC) - \$16439.86 Plan Maintenance (PM) - 243.55 EQ Instrumentation (EI) - \$243.55 Issuing fee - \$0 Planning (incl \$10 misc) - 3761.94 Dev. Services Center Surcharge - \$1780.41 State Green Building Surcharge - \$117.0 School Fee - \$8540 	15 days	USD 44,763

⇒ 2	<p>Receive plumbing plan check and permit</p> <p><i>Agency</i> : Department of Building and Safety (LADBS)</p> <p>The cost includes the following:</p> <ul style="list-style-type: none"> - For the plumbing plan check, a total of \$179.63 including: <ul style="list-style-type: none"> • Plan check fee of \$110.88 (70% of the plumbing permit fee) but if expedited this amounts to \$166.32 (additional 50% of the permit fee for expedited services) • One stop surcharge: \$3.33 • System development surcharge: \$9.98 - For the plumbing permit, a total of \$195.91 including: <ul style="list-style-type: none"> • Expedited permit includes: 1 sink/lavatory (\$23.00), 1 water service connection (\$64.00), one water using device (sub-pump) (\$17.00), 1 public sewer connection (\$40.00) • Permit issuance fee: \$23 • One stop surcharge: \$3.63 • System development surcharge: \$10.88 	1 day	USD 376
⇒ 3	<p>Bonded plumber applies for and receives sewer connection permit.</p> <p><i>Agency</i> : Los Angeles Department of Sanitation</p> <p>A sewer permit is required for all new connections to sewers. This is an over-the-counter permit and can be issued in as little as 30 minutes.</p> <p>In order to issue an S-Permit, BuildCo must identify the address of the property and work. This will be verified by the Bureau of Engineering (BOE) staff, and they will confirm the availability of the main line sewer. Furthermore, the BOE District Office where the project is located must be identified, in case the District Engineer's input is required.</p> <p>Only a bonded plumber can apply for this permit. The Doing Business methodology assumes that BuildCo has a registered plumber on staff.</p> <p>The cost includes:</p> <ul style="list-style-type: none"> • \$265 flat fee • 2% one-stop surcharge • 7% equipment and training surcharge • \$2.84 per linear foot of sewer connection for the inspection 	1 day	USD 715
⇒ 4	<p>File a Service Advisory Request (SAR) and receive the maximum flow requirements report</p> <p><i>Agency</i> : Los Angeles Department of Water and Power</p> <p>A Service Advisory Request (SAR) must be filed with the Los Angeles Department of Power and Water.</p> <p>Information required:</p> <ul style="list-style-type: none"> • Address of proposed service installation or legal description of property • Proposed service location (distance from property line or distance to centerline of nearest cross street) • Flow requirements (gallons per minute [gpm]) or size, and type of service desired (fire, domestic, irrigation) <p>A customized hydraulic analysis of existing LADWP facilities serving your location is made. The analysis is based on your service location and your maximum flow requirements. The time required to analyze and process your SAR report generally ranges from a few days to two weeks depending on the volume of requests and the complexity of the analysis. At this time, the average turnaround time is approximately 10 days. The SAR report will be mailed and/or faxed to you at your request.</p> <p>A copy of the completed report is sent to the DBS so that you may obtain your fire sprinkler permit.</p>	10 days	USD 210
5	<p>Receive fire sprinkler plan check and permit</p> <p><i>Agency</i> : Department of Building and Safety (LADBS)</p> <p>The cost details include the following:</p> <ul style="list-style-type: none"> - For the sprinkler plan check, a total of \$620.30 including: <ul style="list-style-type: none"> • Plan check fee: \$382.90 but if expedited this amounts to \$574.35 (50% additional fee for expedited services) • One stop surcharge: \$11.49 • System development surcharge: \$34.46 - For the sprinkler permit, a total of \$760.32 including: <ul style="list-style-type: none"> • Expedited permit: 180 sprinkler heads (about 90 per floor) (\$547.00) and 2 standpipe flush risers (1 per floor) (\$134.00) • Permit issuance fee: \$23 • One stop surcharge: \$14.08 • System development surcharge: \$42.24 	1 day	USD 1,381

6	<p>Request and receive foundation inspection <i>Agency</i> : Department of Building and Safety (LADBS) This inspection occurs when the excavation for footings is complete and footing forms and required reinforcing steel are in place, but before any concrete is placed.</p> <p>The request can be made online. The cost of inspection is included in the cost of the permit.</p>	1 day	no charge
7	<p>Request and receive inspection of wood framing <i>Agency</i> : Department of Building and Safety (LADBS) This inspection occurs when all roof, walls and floor framing, fire stopping and bracing are complete and all pipes are in place, but before any of this work is covered.</p> <p>The request can be made online. The cost of inspection is included in the cost of the permit.</p>	1 day	no charge
8	<p>Request and receive inspection of wall covering <i>Agency</i> : Department of Building and Safety (LADBS) This inspection takes place when the backing and lath or drywall are in place ready for plaster, stucco or taping.</p> <p>The request can be made online. The cost of inspection is included in the cost of the permit.</p>	1 day	no charge
9	<p>Request and receive inspection of reinforced concrete <i>Agency</i> : Department of Building and Safety (LADBS) This inspection takes place when forms and reinforcing steel are in place ready for concrete.</p> <p>The request can be made online. The cost of inspection is included in the cost of the permit.</p>	1 day	no charge
10	<p>Request and receive inspection of reinforced masonry <i>Agency</i> : Department of Building and Safety (LADBS) This inspection takes place in grouted masonry when vertical reinforcing steel is in place and other reinforcing steel distributed and ready for placing, but before any units are laid up.</p> <p>The request can be made online. The cost of inspection is included in the cost of the permit.</p>	1 day	no charge
11	<p>Request and receive inspection of structural steel <i>Agency</i> : Department of Building and Safety (LADBS) This inspection takes place when structural steel members are in place and required connections are complete, but before concealing any members or connection.</p> <p>The request can be made online. The cost of inspection is included in the cost of the permit.</p>	1 day	no charge
12	<p>Request and receive final interior plumbing inspection <i>Agency</i> : Department of Building and Safety (LADBS) The plumbing inspection must be completed before water may be turned on. This inspection would include inspection of the installed sub-meter.</p> <p>The request can be made online. The cost of the plumbing inspection is included in the cost of the plumbing permit.</p> <p>Note: There may also be one or two rough inspections of the installation of the plumbing during the construction, but the main control check takes place during the final inspection</p>	1 day	no charge
13	<p>Request and receive water connection <i>Agency</i> : Los Angeles Department of Water and Power The sub-meter purchased from the LADWP can be installed by a licensed plumber. After installation, LADWP will turn on the meter for usage.</p>	42 days	USD 3,584

⇒	Request and receive final sewer inspection	1 day	no charge
14	<p><i>Agency</i> : Bureau of Contract Administration</p> <p>The sewer connection is made by a bonded plumber, which BuildCo is assumed to have on staff. Upon completion of the sewer connection work, the inspector will perform a final inspection. If the work is done correctly, the inspector will sign off on the permit, and a copy of the permit with the inspector's signature will be sent electronically to the Bureau of Engineering. If the work is part of a Department of Building and Safety (DBS) permit and all other conditions are cleared, the Department of Public Works will agree to the issuance of a Certificate of Occupancy by LADBS.</p> <p>The cost of the final inspection is included in the cost of the sewer permit.</p>		
15	<p>Request and receive final fire sprinkler inspection</p> <p><i>Agency</i> : Los Angeles Fire Department (LAFD)</p> <p>This inspection takes place to ensure full functionality of fire sprinklers after everything is completed.</p> <p>The request can be made online. The cost of the fire inspection is included in the cost of the fire sprinkler permit.</p>	1 day	no charge
16	<p>Request and receive final building inspection</p> <p><i>Agency</i> : Department of Building and Safety (LADBS)</p> <p>This inspection takes place when the construction or work is completed and the structure ready for occupancy, but before being occupied.</p> <p>The request can be made online. The cost of inspection is included in the cost of the building permit.</p>	1 day	no charge
17	<p>Receive certificate of occupancy</p> <p><i>Agency</i> : Department of Building and Safety (LADBS)</p> <p>After the receipt and approval of the final inspection report from each of the divisions of the Department of Building and Safety, and after the city engineer has reported that all required public improvements have been completed, the Superintendent of Building shall issue a certificate of occupancy, without charge, to the owner of the building.</p> <p>In practice this takes 1-2 days.</p>	1 day	no charge

⇒ Takes place simultaneously with previous procedure.

Details - Dealing with Construction Permits in Los Angeles - Measure of Quality

	Answer	Score
Building quality control index (0-15)		13.0
Quality of building regulations index (0-2)		2.0
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
Quality control before construction index (0-1)		1.0
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed engineer.	1.0
Quality control during construction index (0-3)		2.0
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Inspections by in-house engineer; Inspections at various phases.	1.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are always done in practice.	1.0
Quality control after construction index (0-3)		3.0
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
Liability and insurance regimes index (0-2)		1.0
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction company.	1.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	No party is required by law to obtain insurance .	0.0
Professional certifications index (0-4)		4.0
What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	Minimum number of years of experience; University degree in architecture or engineering; Being a registered architect or engineer; Passing a certification exam.	2.0

What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)

Minimum number of years of experience; University degree in engineering, construction or construction management; Passing a certification exam. 2.0

⚡ Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2018.

What the indicators measure

Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- Value added tax excluded

The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0-3)
- Tools to monitor power outages (0-1)
- Tools to restore power supply (0-1)
- Regulatory monitoring of utilities' performance (0-1)
- Financial deterrents limiting outages (0-1)
- Transparency and accessibility of tariffs (0-1)

Price of electricity (cents per kilowatt-hour)*

- Price based on monthly bill for commercial warehouse in case study

*Note: *Doing Business* measures the price of electricity, but it is not included in the ease of doing business score nor the ranking on the ease of getting electricity.

Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

The monthly consumption:

- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

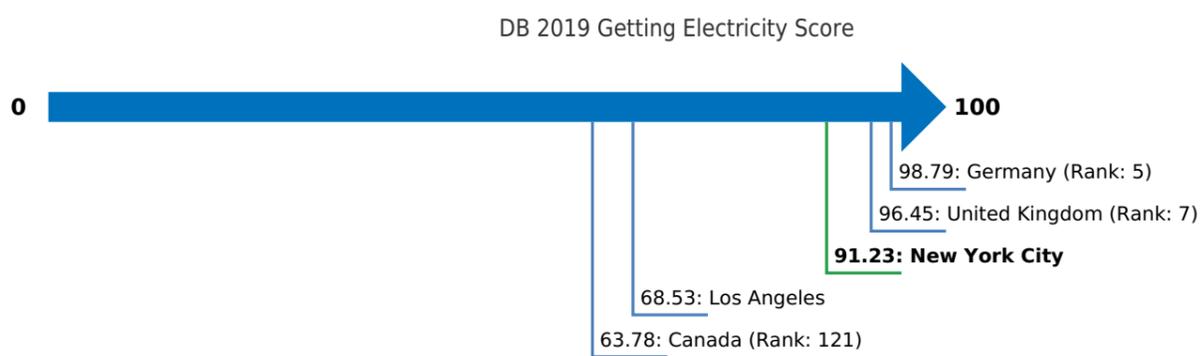
Getting Electricity - New York City

Standardized Connection

Price of electricity (US cents per kWh)	26.6
Name of utility	Con Edison
City Covered	New York City

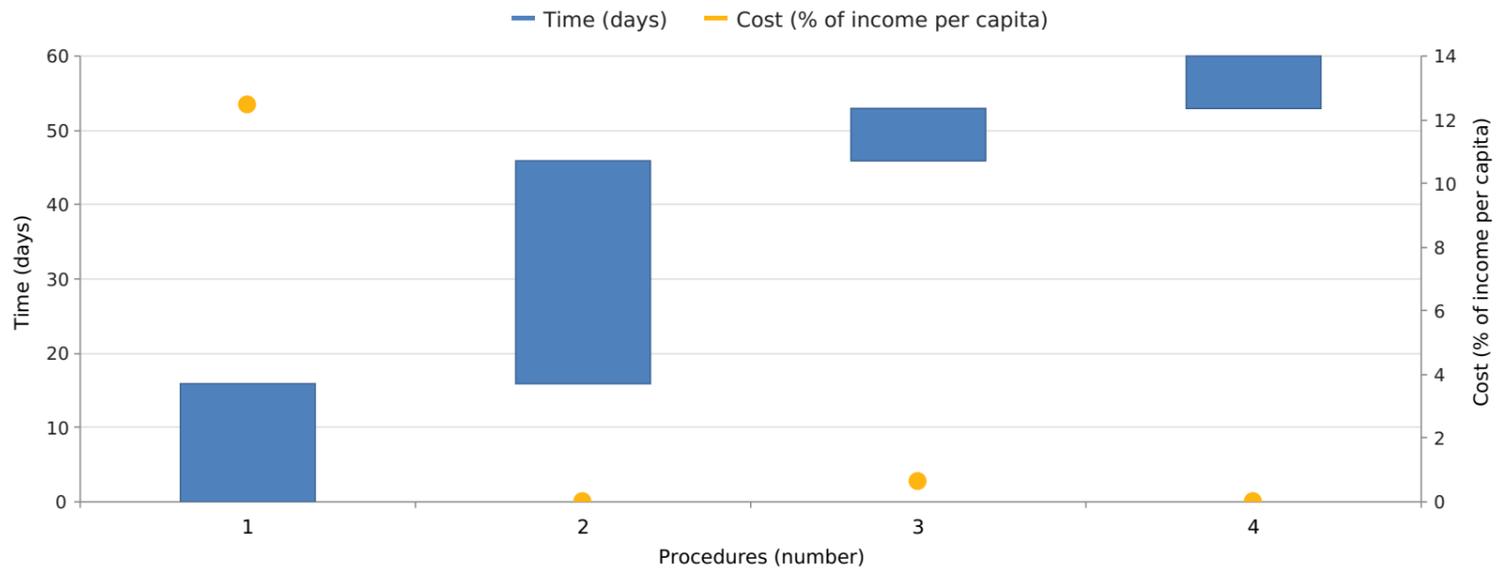
Indicator	New York City	OECD high income	Best Regulatory Performance
Procedures (number)	4	4.5	3 (25 Economies)
Time (days)	60	77.2	18 (3 Economies)
Cost (% of income per capita)	13.1	64.2	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	8	7.5	8.0 (27 Economies)

Figure - Getting Electricity in New York City and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

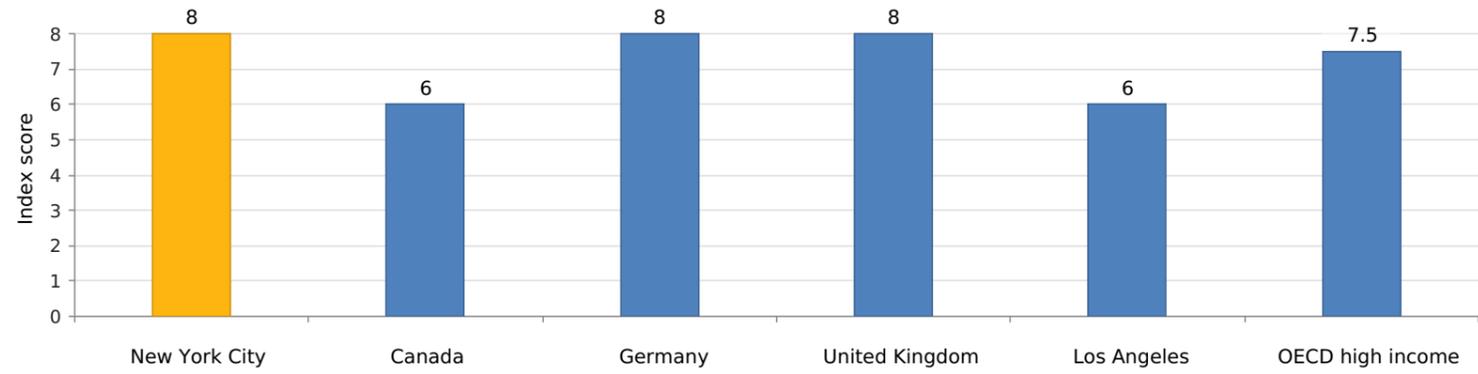
Figure - Getting Electricity in New York City - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women.

Figure - Getting Electricity in New York City and comparator economies - Measure of Quality



Details - Getting Electricity in New York City - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>File contractor work request with Con Edison and receive service layout <i>Agency : Con Ed</i> Application for service may be made by mail, fax or by using Con Edison web site at www.coned.com/es/. However, written confirmation is required. The customer or their contractor should consult Con Edison regarding the characteristics of service available before plans are completed, equipment purchased or construction started on facilities to be connected to the company's distribution system. Information the customer or their contractor furnishes Con Edison with regard to the customer's proposed electrical installation, must be in writing. The company has Electrical Contractor or Work Request Pads for your convenience. Only licensed electricians can conduct electrical connections. The licensing is done by the City of NY. The electrician hired by customer should be a licensed master electrician. The licensing is done by the City of New York. The service layout usually requires an inspection by Coned's staff who then give the technical conditions on the spot. After that the electrician can start the works. The electrician could have completed the works until the panels/ switchboard before Coned comes and inspects and then only do the wiring when they know from Coned where the service room is going to be. If the electrician however, wants to avoid to have to re-wire, they can first wait for the service layout that tells them where the service room should be. The electrician is in charge of all the works until the connection point. The connection point should be on the customer's land and within a distance of 10 feet from the property line (border between public and private lands), which we assume here. The service layout usually require an inspection by Coned's staff who then give the technical conditions on the spot. After that the electrician can start the works. Now, the electrician could have completed the works until the panels/ switchboard before Coned comes and inspects and then only do the wiring when they know from Coned where the service room is going to be, etc. If they want to avoid to have to re-wire though, they can first wait for the service layout that tells them where the service room should be. The electrician is in charge of all the works until the connection point. The connection point should be on the customer's land and within a distance of 10 feet from the property line (border between public and private lands).</p>	16 calendar days	USD 7,500
2	<p>Submit final checklist to Con Edison, pay security deposit and request and receive external works <i>Agency : Con Ed</i> The security deposit will not be recorded as it is refunded to the customer in 3 months time. The security deposit amount is twice the average monthly usage. Con Edison representative performs an inspection to verify that the site is ready for service construction (property-line box or sweep is installed, area graded to within 6" of final grade, curbs are installed, sewer & water lines installed, etc.). Electrician submits final checklist to Coned, requests and receives the works. The works consist of laying out a cable from the connection point to the closest supply source on the LV network (usually a manhole and not necessarily all the way to the distribution transformer). The works by Coned can be carried out in parallel with the electrician's works.</p>	30 calendar days	USD 0
3	<p>Request and receive internal wiring inspection by NYC Department of Buildings <i>Agency : NY Dept. of Buildings</i> The NY Building Dept Electric division inspector does the internal and external wiring inspection once all wiring and connections are final. This step is usually carried out after electricity has been turned on, and is not a requirement to obtain supply. It is required however in order to obtain an occupancy permit. If the inspector finds that everything is ok, he submits his report to the clerk in the NY Buildings office, who files it, and then publishes the Certificate of Completion online on the NY Buildings Website. This is usually done on the same day or next business day after inspection. The actual application for Certificate of Internal Inspection is done by the electrician before internal wiring commences. The Dept of Buildings then issues a Control Number to the electrician.</p>	7 calendar days	USD 380
4	<p>Request meter installation and electricity turn-on from Con Edison <i>Agency : Con Ed</i> The electrician contacts the utility to inform them that the certificate of completion has been obtained, gives them the Dept of Buildings Control Number, and requests the utility to turn electricity on.</p>	7 calendar days	USD 0

→ Takes place simultaneously with previous procedure.

Details - Getting Electricity in New York City - Measure of Quality

	Answer
Reliability of supply and transparency of tariff index (0-8)	8
Total duration and frequency of outages per customer a year (0-3)	3
System average interruption duration index (SAIDI)	0.3
System average interruption frequency index (SAIFI)	0.1
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	5.0
Mechanisms for monitoring outages (0-1)	1
Does the distribution utility use automated tools to monitor outages?	Yes
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
Financial deterrents aimed at limiting outages (0-1)	1
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	Yes
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	https://www.coned.com/en/rates-tariffs/rates
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

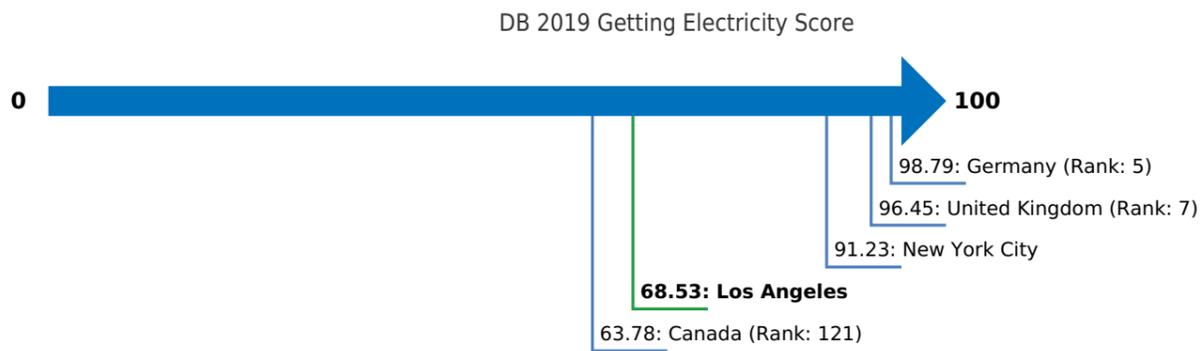
Getting Electricity - Los Angeles

Standardized Connection

Price of electricity (US cents per kWh)	17.1
Name of utility	Los Angeles Department of Water and Power
City Covered	Los Angeles

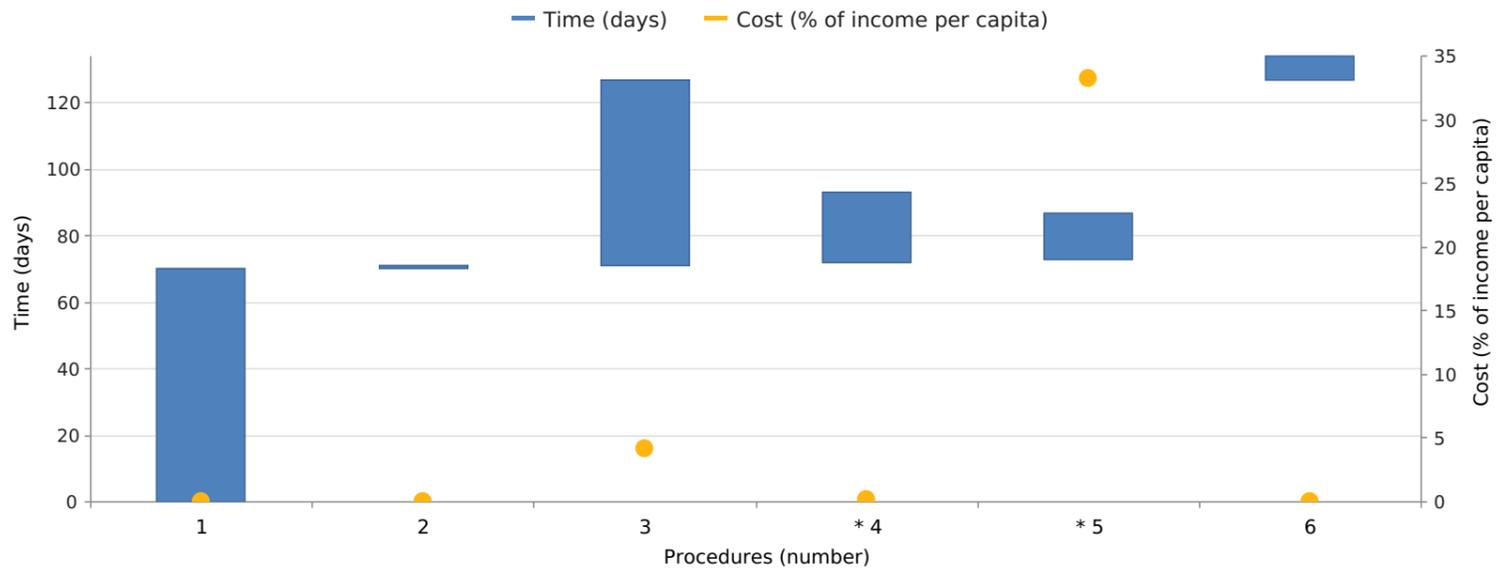
Indicator	Los Angeles	OECD high income	Best Regulatory Performance
Procedures (number)	6	4.5	3 (25 Economies)
Time (days)	134	77.2	18 (3 Economies)
Cost (% of income per capita)	37.5	64.2	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	6	7.5	8.0 (27 Economies)

Figure - Getting Electricity in Los Angeles and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

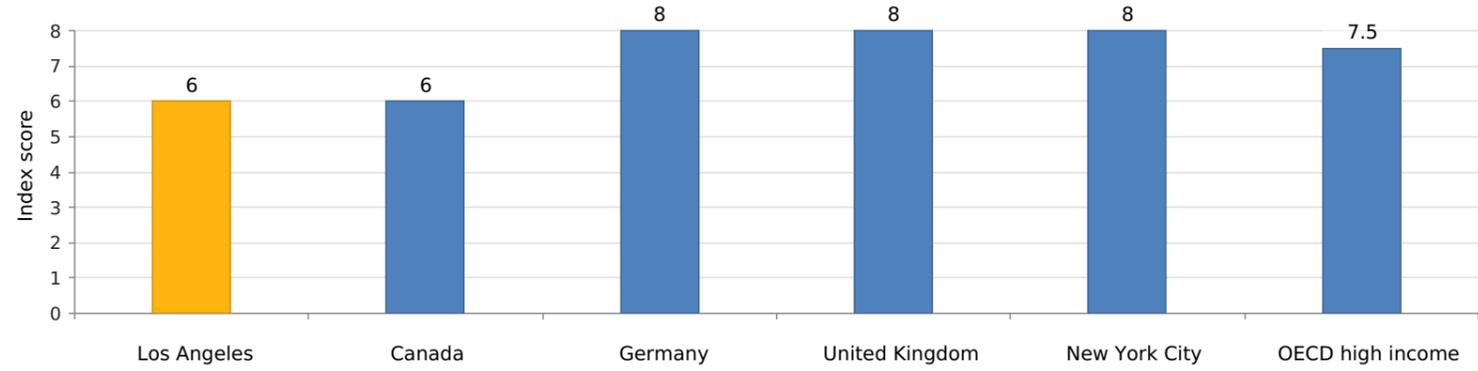
Figure - Getting Electricity in Los Angeles - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women.

Figure - Getting Electricity in Los Angeles and comparator economies - Measure of Quality



Details - Getting Electricity in Los Angeles - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Submit application materials and await commitment letter <i>Agency</i> : Los Angeles Department of Water and Power At the time of initial contact with the utility office, customer provides the following items:</p> <ol style="list-style-type: none"> A completed Service Planning Information sheet Electrical plans including load schedules, single-line diagrams, and equipment elevation drawings. Plot, grading, elevation, and site improvement plans. Any additional information requested by the service planner needed to assist the Department in finalizing the customer's plans. 	70 calendar days	USD 0
2	<p>Receive commitment letter and request and receive external site inspection <i>Agency</i> : Los Angeles Department of Water and Power Once the utility has reviewed the project, they provide a commitment letter. After receiving the commitment letter, the customer contacts the utility's Electric Service Representative to schedule a site inspection. . The utility engineer visits the warehouse to locate the site of the transformer and connection</p>	1 calendar day	USD 0
3	<p>Await completion of external works by utility <i>Agency</i> : Los Angeles Department of Water and Power The utility furnishes the customer with a commitment letter, along with estimated cost. The cost of transformer itself is borne by the utility. The customer is charged for certain administrative fees and taxes. The connection works project could be sent out for bid by the utility depending on the utility's work load. With regards to transformer installation at customer premises, the utility furnishes and installs:</p> <ol style="list-style-type: none"> All electrical equipment at, or in, the installation except for equipment which is provided by the customer as specified in the utility's customer requirement drawings. Conductors supplying the primary side of the utility-owned transformers and secondary distribution conductors to supply points. Service supply conductors from the utility-owned transformer, or supply point, to the point of service. The customer shall furnish and install all facilities specified by the utility on the Customer requirement drawings, including: <ol style="list-style-type: none"> Cable bus structures from the terminating room or enclosure to the service terminating enclosure when required or approved for use by the customer station design engineer. The Department will furnish and supply the conductors. Busway service (bus duct) from the transformer room or enclosure to the point of service when approved for use by the customer station design engineer. The bus duct will be owned and maintained by the customer at the customer's cost. 	56 calendar days	USD 2,500
⇒ 4	<p>Submit internal wiring plan to obtain electrical permit and internal wiring inspection <i>Agency</i> : Los Angeles Department of Building and Safety The customer's electrical contractor applies for a electrical permit with the Los Angeles Department of Building & Safety. This permit can be applied for online. The contractor needs to specify the type of work, and pay the necessary fees online. Once the contractor has received the permit number online, he can request for an inspection (this request can be done online or by phone). The proposed date of the inspection is then informed to the contractor.</p>	21 calendar days	USD 97.2
⇒ 5	<p>Hire private contractor to undertake civil works <i>Agency</i> : Customer's contractor Customer's contractor undertakes underground wiring, excavation, conduits, construction of concrete slab.</p>	14 calendar days	USD 20,000
6	<p>Submit application for energizing connection and receive meter installation and electricity flow <i>Agency</i> : Los Angeles Department of Water and Power Customer's contractor applies online for "turn on" of electricity, providing details of connection and proof of electrical permit approval by Los Angeles Department of Building and Safety. Contractor calls the utility for scheduling of inspection of power release.</p>	7 calendar days	USD 0

⇒ Takes place simultaneously with previous procedure.

Details - Getting Electricity in Los Angeles - Measure of Quality

	Answer
Reliability of supply and transparency of tariff index (0-8)	6
Total duration and frequency of outages per customer a year (0-3)	2
System average interruption duration index (SAIDI)	2.7
System average interruption frequency index (SAIFI)	1.0
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	3.0
Mechanisms for monitoring outages (0-1)	1
Does the distribution utility use automated tools to monitor outages?	Yes
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	0
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	No
Financial deterrents aimed at limiting outages (0-1)	1
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	Yes
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	https://www.ladwp.com/ladwp/faces/wcnav_externalId/a-fr-elecrate-schel?_adf.ctrl-state=ky4hi9d9n_4&_afrLoop=555001444222369
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

Registering Property

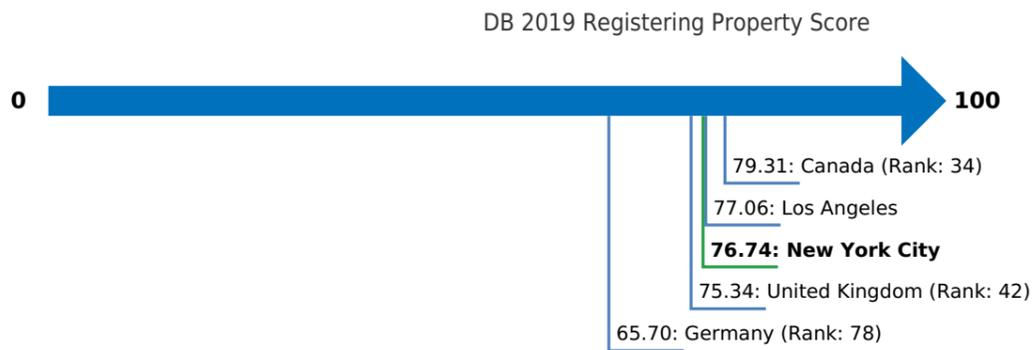
This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2018.

What the indicators measure	Case study assumptions
<p>Procedures to legally transfer title on immovable property (number)</p> <ul style="list-style-type: none"> • Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes) • Registration procedures in the economy's largest business city. • Postregistration procedures (for example, filling title with municipality) 	<p>To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.</p>
<p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule • Procedure is considered completed once final document is received • No prior contact with officials 	<p>The parties (buyer and seller):</p> <ul style="list-style-type: none"> - Are limited liability companies (or the legal equivalent). - Are located in the periurban area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Are 100% domestically and privately owned. - Have 50 employees each, all of whom are nationals. - Perform general commercial activities.
<p>Cost required to complete each procedure (% of property value)</p> <ul style="list-style-type: none"> • Official costs only (such as administrative fees, duties and taxes). • Value Added Tax, Capital Gains Tax and illicit payments are excluded 	<p>The property (fully owned by the seller):</p> <ul style="list-style-type: none"> - Has a value of 50 times income per capita, which equals the sale price. - Is fully owned by the seller. - Has no mortgages attached and has been under the same ownership for the past 10 years. - Is registered in the land registry or cadastre, or both, and is free of title disputes. - Is located in a periurban commercial zone, and no rezoning is required. - Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety. - Will not be subject to renovations or additional construction following the purchase. - Has no trees, natural water sources, natural reserves or historical monuments of any kind. - Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required. - Has no occupants, and no other party holds a legal interest in it.
<p>Quality of land administration index (0-30)</p> <ul style="list-style-type: none"> • Reliability of infrastructure index (0-8) • Transparency of information index (0-6) • Geographic coverage index (0-8) • Land dispute resolution index (0-8) • Equal access to property rights index (-2-0) 	

Registering Property - New York City

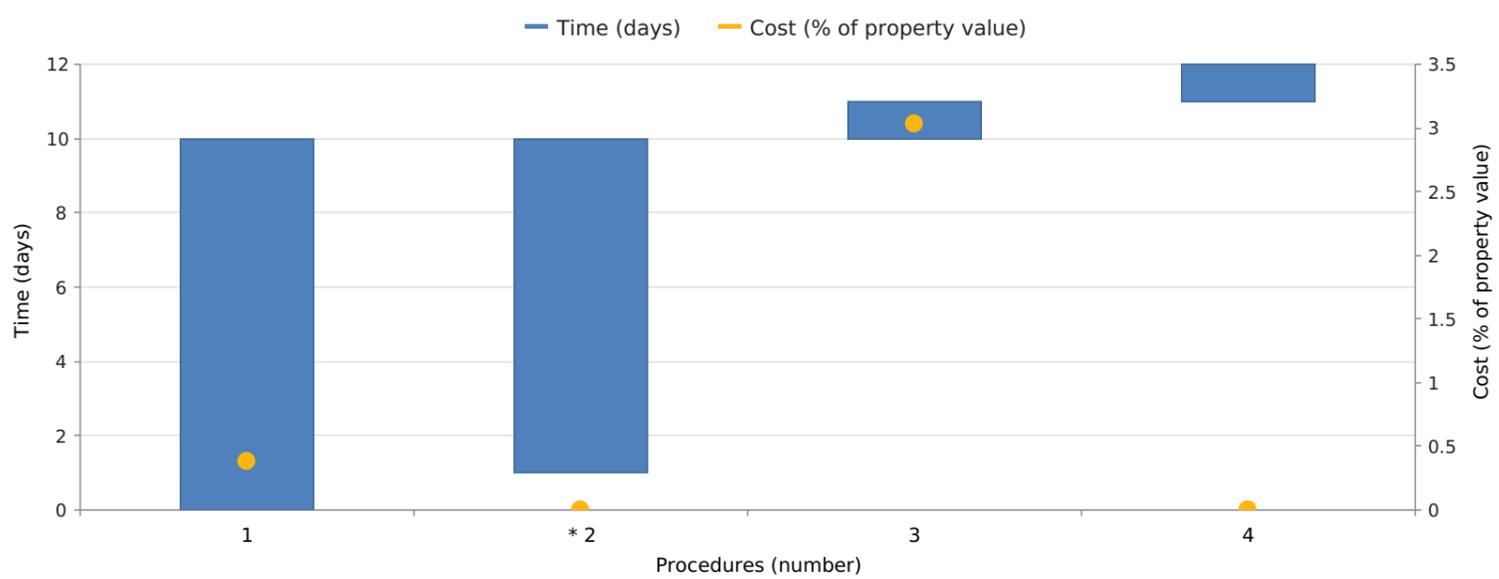
Indicator	New York City	OECD high income	Best Regulatory Performance
Procedures (number)	4	4.7	1 (4 Economies)
Time (days)	12	20.1	1 (New Zealand)
Cost (% of property value)	3.4	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	18.0	23.0	None in 2017/18

Figure - Registering Property in New York City and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

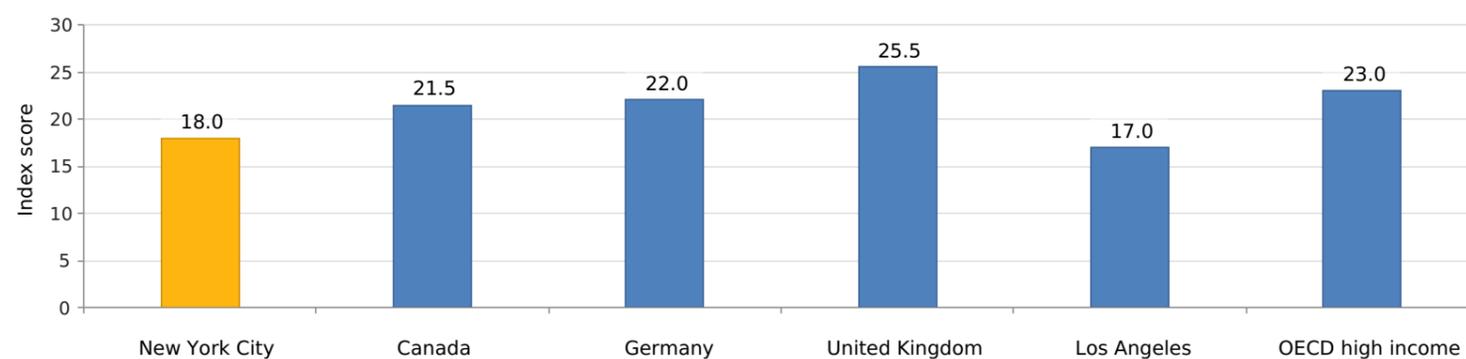
Figure - Registering Property in New York City - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women.

Figure - Registering Property in New York City and comparator economies - Measure of Quality



Details - Registering Property in New York City - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Obtain a title report <i>Agency : Private Company</i> A title report is obtained from one of many competing private companies, regulated by the state. State regulators set fees for title insurance and those fees for services could vary. A title report is not technically mandatory but is routinely used to analyze the quality of the title. A title report is an essential prerequisite to securing title insurance. No title company would offer title insurance without a title report tracing the deed history and articulating the liens, covenants and, other limitations on the title. Lenders typically require a title report and title insurance. Most buyers purchase the title insurance to ensure that the title is clear (i.e. no defects in the title). One application for title report and title insurance is enough. Thus, no additional procedure or time is needed. Banks usually require title insurance for a property to be accepted as collateral for a loan. The cost of such title insurance is USD 11,128 given the assumptions of our case study, including the cost of the title report.</p>	10 days	USD 11,469; (11,469 (title report and title insurance))
⇒ 2	<p>Conduct an environmental review <i>Agency : Private Company</i> (According to the assumptions of the case study, it is assumed that no violation nor problem is found in the first phase of the review and that the whole Procedure does not take more than the 10 days that it takes to obtain the title report in Procedure 1) A private specialized firm typically conduct the environmental review. It is not technically mandatory, but a prudent investor will routinely require an environmental review and no bank would ever advance a commercial mortgage without conducting an environmental study. The environmental review may have up to 3 phases: 1. The history of the property in the public records is analyzed to check if there was any record of contamination or any violation. 2. If yes, an inspection of the property takes place, where some samples are taken 3. Clean-up phase if needed.</p>	9 days	Depends on nature and extent of contamination, if any
3	<p>The buyer obtains and fills the forms needed for the transfer <i>Agency : Office of the City Register</i> All NYC transfers should be done using ACRIS system. It generates all of the required transfer tax forms, i.e. NYS Transfer Tax Form TP-584 regarding real estate transfer tax, and the NYS Real Property Transfer Report (Equalization) Form RP-5217, as well as necessary documents as smoke detector's affidavit, customer registration, etc. The state forms RP-5217 and TP-584 are available in many local government offices and on the Internet. Additionally, the property disclosure form is typically drafted by the attorney for the seller and given to the buyer prior to or at closing. The seller usually prepares the title deed. The fees for state forms RP-5217 and TP-584 are typically collected by the title company at closing, prior to recording, and must be paid to the state upon filing the deed for recording with the registry. It is common practice to obtain title insurance from one of the competing title insurance companies. (The cost of title insurance will cost \$11,128.49). The title insurance can only be acquired at closing after the transaction has been completed between buyer and seller and the price has been paid. Where financing is involved, the lender typically requires the purchaser to obtain insurance as a condition of the loan. There is a separate mortgage recording tax needed to be paid, in addition to the real property transfer tax. The seller pays real property transfer tax at rates 0.4% for NYS transfer tax and 2.625% for NYC transfer tax (of property value exceeding \$500,000). The title insurance company will take the responsibility of recording the title at the county clerk.</p>	1 day	USD 91,302.19; (Filing fee for state form RP-5217 is \$250 + Filing fee for state form TP-584 is \$5 + 2.625% of property value greater than \$500 000 (NYC transfer tax) + \$2.00/500 of property value (NYS transfer tax))

4	<p>The title is recorded with the County Clerk</p> <p><i>Agency : County Clerk</i></p> <p>The transfer deed (together with the applicable tax forms and payment) is then presented to the relevant public official, e.g. county clerk, for recordation in the public records of the jurisdiction. The date of acceptance of the deed by the clerk is the date which controls for transfer purposes. Nonetheless, it often can take many weeks (and even months) for the actual recordation to take place and become available on the public record. However, the transaction is valid and opposable to third parties on the date it is submitted.</p> <p>Although the law states that title passes upon delivery of the deed, where there are competing claims the law recognizes the 1st recorded deed.</p> <p>The title insurance company usually takes the responsibility of recording the title at the County Clerk, paying the fees for state forms RP-5217 and TP-584 .</p> <p>The documentation shall include:</p> <ul style="list-style-type: none">Title deedNYS Real Property form TP-584 on real estate transfer taxProperty Disclosure FormReal Property form RP-5217Title Insurance	1 day	USD 97; (\$32 + \$5 cover page + \$5 per page (assuming that the title consists of about 12 pages))
---	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------	-----------------------------------------------------------------------------------------------------

→ Takes place simultaneously with previous procedure.

Details - Registering Property in New York City - Measure of Quality

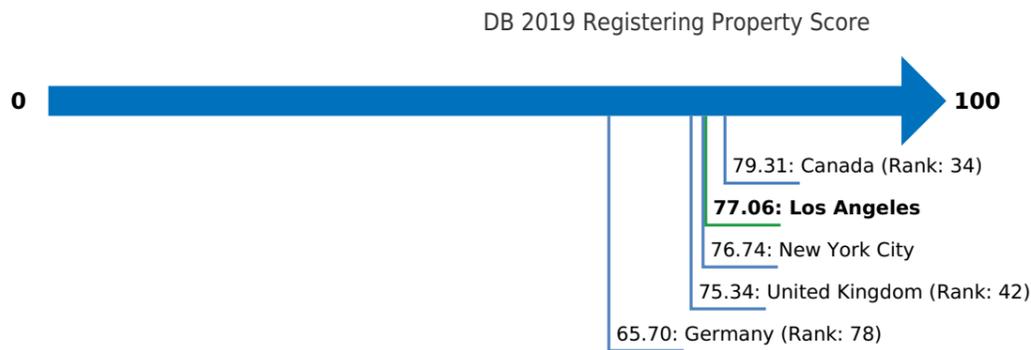
	Answer	Score
Reliability of infrastructure index (0-8)		7.0
What is the institution in charge of immovable property registration?	Office of the City Register	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scanned	1.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	Yes	1.0
Institution in charge of the plans showing legal boundaries in the largest business city:	NY Digital Tax Map	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Fully digital	2.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	Yes	1.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Different databases but linked	1.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	Yes	1.0
Transparency of information index (0-6)		3.0
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Freely accessible by anyone	1.0
Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	http://a836-acris.nyc.gov/CP/	
Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	https://a836-acris.nyc.gov/CP/CoverPage/CalculateTaxes	
Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	No	0.0
Number of property transfers in the largest business city in 2017:		
Who is able to consult maps of land plots in the largest business city?	Freely accessible by anyone	0.5
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	No cost	0.5
Link for online access:		
Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard?	No	0.0

Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	No	0.0
Contact information:		
Geographic coverage index (0-8)		4.0
Are all privately held land plots in the economy formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	Yes	2.0
Are all privately held land plots in the economy mapped?	No	0.0
Are all privately held land plots in the largest business city mapped?	Yes	2.0
Land dispute resolution index (0-8)		4.0
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	No	0.0
Is the system of immovable property registration subject to a state or private guarantee?	Yes	0.5
Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	Yes	0.5
Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Registrar; Lawyer;	
Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Registrar;	
Is there a national database to verify the accuracy of identity documents?	No	0.0
For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance?	NYS Supreme Court	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Between 1 and 2 years	2.0
Are there any statistics on the number of land disputes in the first instance?	No	0.0
Number of land disputes in the largest business city in 2017:		
Equal access to property rights index (-2-0)		0.0
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
Do married men and married women have equal ownership rights to property?	Yes	0.0

Registering Property - Los Angeles

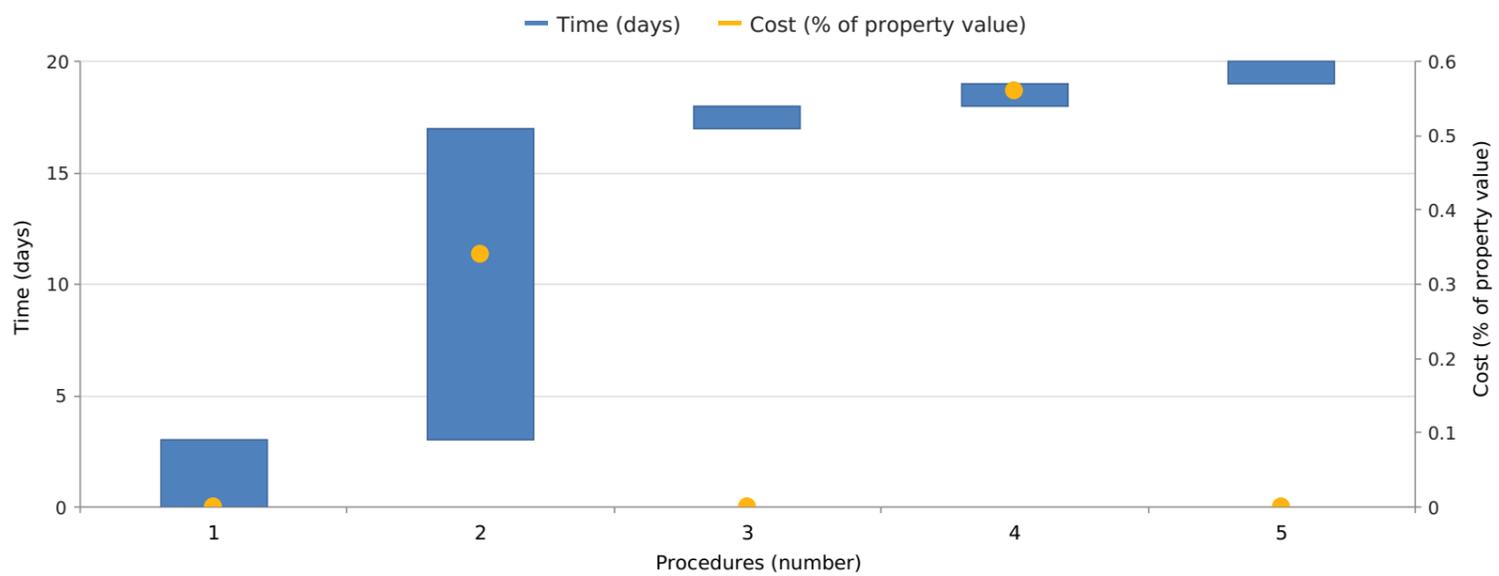
Indicator	Los Angeles	OECD high income	Best Regulatory Performance
Procedures (number)	5	4.7	1 (4 Economies)
Time (days)	20	20.1	1 (New Zealand)
Cost (% of property value)	0.9	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	17.0	23.0	None in 2017/18

Figure - Registering Property in Los Angeles and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

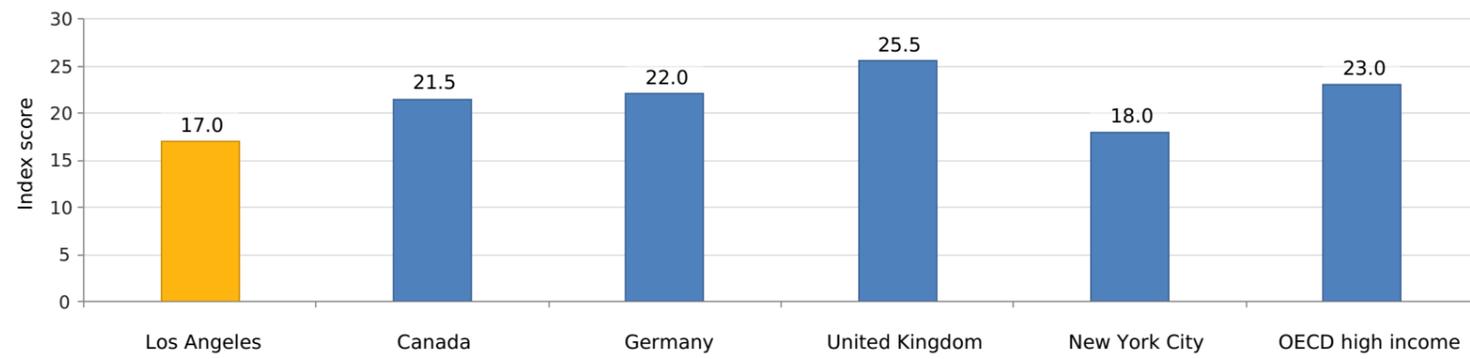
Figure - Registering Property in Los Angeles - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women.

Figure - Registering Property in Los Angeles and comparator economies - Measure of Quality



Details - Registering Property in Los Angeles - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Obtain a title report <i>Agency : Private company</i> The preliminary title report is to investigate any outstanding issues on the property such as easements or dues to utility companies, existing mortgages on the property, and CC&Rs (Covenants, Conditions and Restrictions which are rules and restrictions placed on the property by the owners association, etc.)</p>	3 days	Included in procedure 2
2	<p>Obtain Title Insurance policy (Environmental requirement and inspections) <i>Agency : Private company</i> Parties sign an escrow agreement. The agreement would usually allow for a period of 30 days for due diligence checks and is subject to certain contingencies (i.e. the property meeting the contingency requirements to move forward with the sale). At the end of this period, the buyer's deposit will no longer be refundable. During this period, a variety of inspections take place. The checks may be completed before this period ends, but cannot exceed this period. In the due-diligence phase, the two following requirements have to be undertaken: - Phase I Environmental Inspection. A visual inspection to check if there are any hazardous materials such as oil stains or chemicals on the property or if it is located near or formerly used as a gas station or dry cleaners for instance. - Natural Hazards Disclosure Statement (usually ordered online by the escrow company and provided to the Buyer; it is public data. This Report is required by law as of 1998 for all real estate transactions in California: Assembly Bill 1195 now known as California Civil Code 1103. It mandates 3 natural hazard disclosures into one statutory form: Seismic, fire, and floods, given that California is especially sensitive to seismic movements and earthquakes. More information can be found http://archive.calbar.ca.gov/archive/calbar/2cbj/99aug/mclestdy.htm</p>	14 days	USD 10,153; (Title Insurance, Escrow, Environmental report, Natural Hazards Disclosure report)
3	<p>Sign and Notarize Deed with a Notary Public <i>Agency : Notary</i> The Notary Public will prepare the final public deed with all the documentation previously obtained by the parties. The deed establishes the terms of the sale and its sign and notarized at the Notary Public.</p>	1 day	USD 20
4	<p>The buyer obtains and fills the forms needed for the transfer <i>Agency : Los Angeles County Treasurer and tax collector</i> Documentary Transfer Tax Los Angeles City charges \$4.5 per 1,000, and Los Angeles County (according to LA City Ordinance) charges \$1.10 per 1,000 (or 0.55 cents per \$500, rounding up to the highest \$500 according to the California Revenue and Taxation Code)</p>	1 day	USD 16,856; (USD 4.5 per 1,000 (Los Angeles City) and USD 1.1 per 1,000 (Los Angeles County))
5	<p>The title is recorded with the County Clerk <i>Agency : County clerk's office</i> The following documents must be filed to record the deed: - Notarized Deed - Preliminary Change of Ownership Form (If this is not filed, a USD 20 fee is added per Revenue and Taxation Code 480.3) - Declaration of Documentary Transfer Tax These forms can be obtained from the website of the RRCC. The recording fees are: - Base Fee, \$10.00 (Cal. Govt. Code § 27361(a)); - First Page, \$1.00 (Cal. Govt. Code §27361.4(a), (b), and (c)); - Each additional page, \$3.00; - Electronic recording fee, \$1.00 (Cal. Govt. Code § 27397(c)(1)). - Special Real Estate Fraud Prosecution Program Fee, \$4.00; - Social Security Number Truncation Program, \$1.00 (AB 1168, § 627)</p>	1 day	USD 23

→Takes place simultaneously with previous procedure.

Details - Registering Property in Los Angeles - Measure of Quality

	Answer	Score
Reliability of infrastructure index (0-8)		7.0
What is the institution in charge of immovable property registration?	Los Angeles County Recorder Office	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Fully digital	2.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	Yes	1.0
Institution in charge of the plans showing legal boundaries in the largest business city:	County Recorder	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Fully digital	2.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	Yes	1.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Separate databases	0.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	Yes	1.0
Transparency of information index (0-6)		3.5
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Freely accessible by anyone	1.0
Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	http://www.lavote.net/home/records/real-estate-records/general-info	
Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	https://www.lavote.net/home/records/property-document-recording/fees	
Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	No	0.0
Number of property transfers in the largest business city in 2017:		
Who is able to consult maps of land plots in the largest business city?	Freely accessible by anyone	0.5
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	No cost	0.5
Link for online access:		

Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	Yes	0.5
Contact information:	http://www.bpelsg.ca.gov/consumers/complaint_license.shtml	
Geographic coverage index (0-8)		4.0
Are all privately held land plots in the economy formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	Yes	2.0
Are all privately held land plots in the economy mapped?	No	0.0
Are all privately held land plots in the largest business city mapped?	Yes	2.0
Land dispute resolution index (0-8)		2.5
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	No	0.0
Is the system of immovable property registration subject to a state or private guarantee?	Yes	0.5
Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	No	0.0
Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Registrar; Lawyer;	
Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Notary;	
Is there a national database to verify the accuracy of identity documents?	No	0.0
For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance?	Los Angeles Superior Court	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Between 2 and 3 years	1.0
Are there any statistics on the number of land disputes in the first instance?	No	0.0
Number of land disputes in the largest business city in 2017:		
Equal access to property rights index (-2-0)		0.0
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
Do married men and married women have equal ownership rights to property?	Yes	0.0

Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2018.

What the indicators measure

Strength of legal rights index (0-12)

- Rights of borrowers and lenders through collateral laws (0-10)
- Protection of secured creditors' rights through bankruptcy laws (0-2)

Depth of credit information index (0-8)

- Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8)

Credit bureau coverage (% of adults)

- Number of individuals and firms listed in largest credit bureau as a percentage of adult population

Credit registry coverage (% of adults)

- Number of individuals and firms listed in credit registry as a percentage of adult population

Case study assumptions

Doing Business assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.

In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.

Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:

- ABC is a domestic limited liability company (or its legal equivalent).
- ABC has up to 50 employees.
- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Both ABC and BizBank are 100% domestically owned.

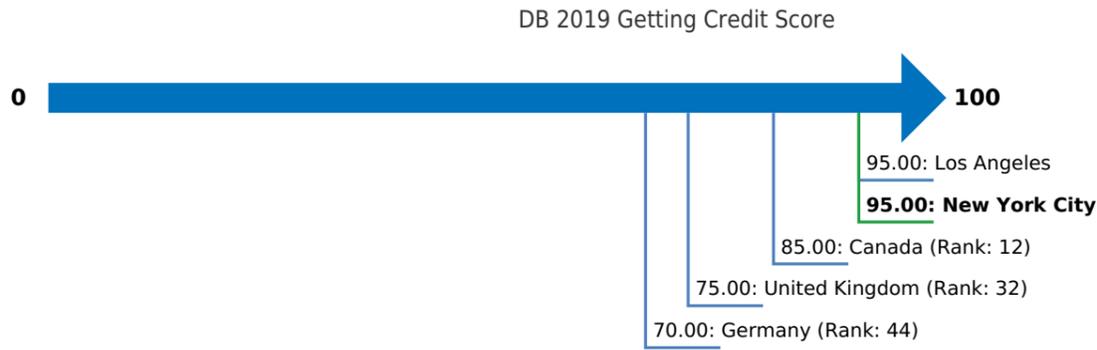
The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).

In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

Getting Credit - New York City

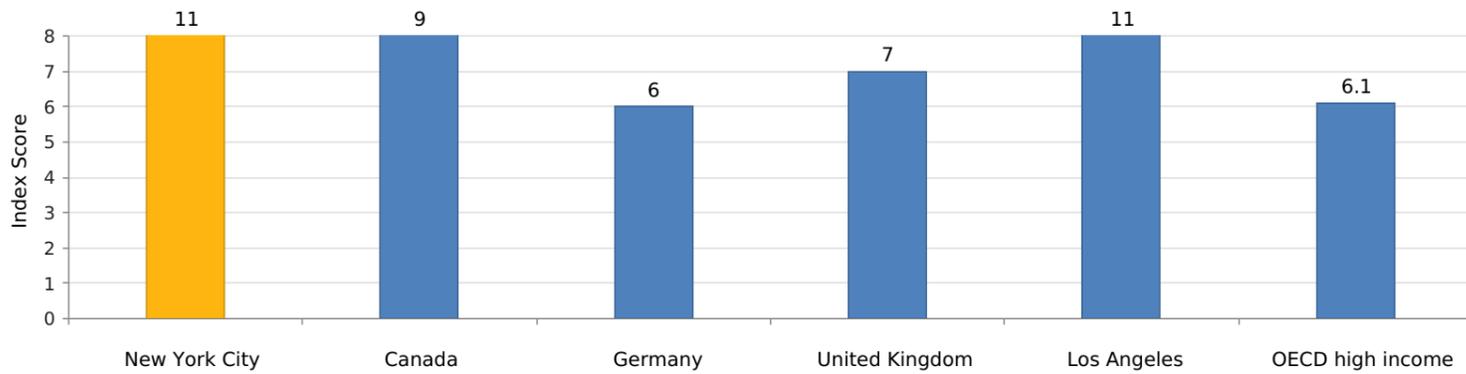
Indicator	New York City	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	11	6.1	12 (5 Economies)
Depth of credit information index (0-8)	8	6.7	8 (42 Economies)
Credit registry coverage (% of adults)	0	21.8	100.0 (4 Economies)
Credit bureau coverage (% of adults)	100	65.3	100.0 (25 Economies)

Figure - Getting Credit in New York City and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

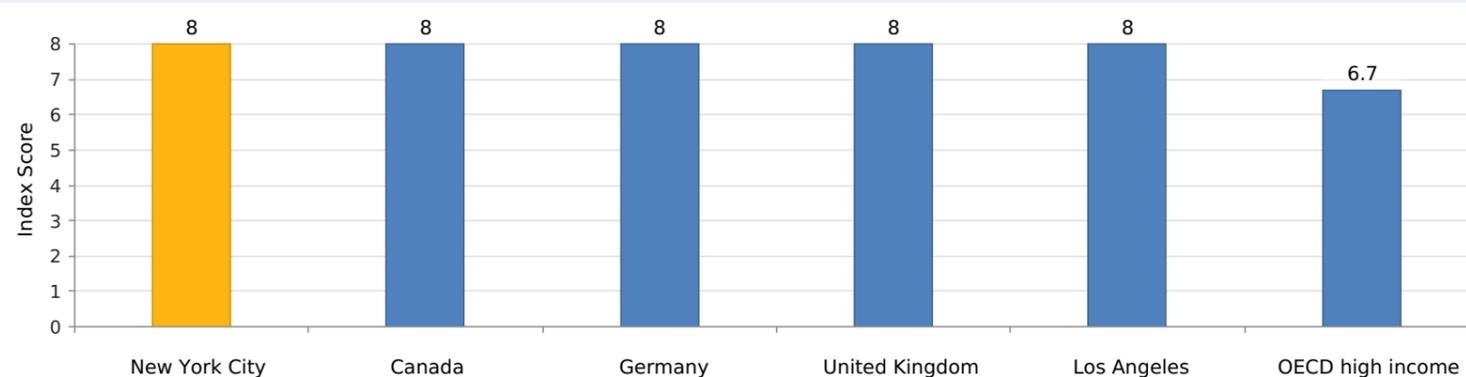
Figure - Legal Rights in New York City and comparator economies



Details - Legal Rights in New York City

Strength of legal rights index (0-12)	11
Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy?	Yes
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	Yes
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	Yes
May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets?	Yes
Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?	Yes
Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name?	No
Does a notice-based collateral registry exist in which all functional equivalents can be registered?	Yes
Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated?	Yes
Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it?	Yes
Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt?	Yes

Figure - Credit Information in New York City and comparator economies



Details - Credit Information in New York City

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	Yes	No	1
Are both positive and negative credit data distributed?	Yes	No	1
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	Yes	No	1
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	Yes	No	1
Are data on loan amounts below 1% of income per capita distributed?	Yes	No	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	Yes	No	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	Yes	No	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	Yes	No	1
Total Score ("yes" to either public bureau or private registry)			8

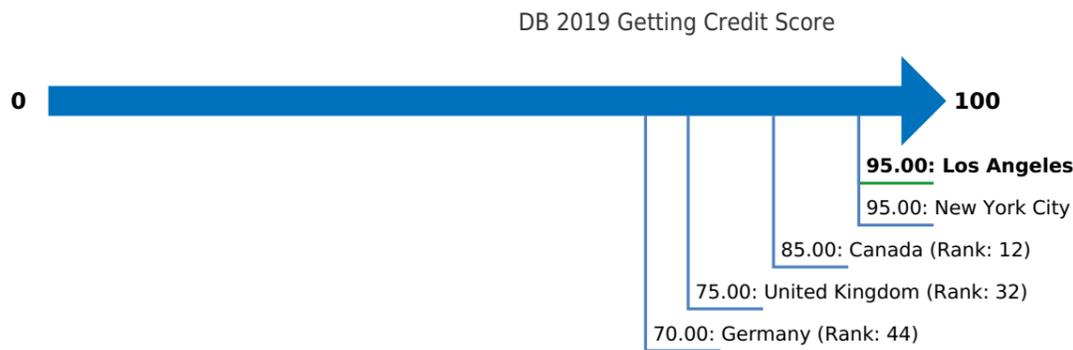
Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	220,000,000	0
Number of firms	24,950,620	0
Total	244,950,620	0
Percentage of adult population	100	0

Getting Credit - Los Angeles

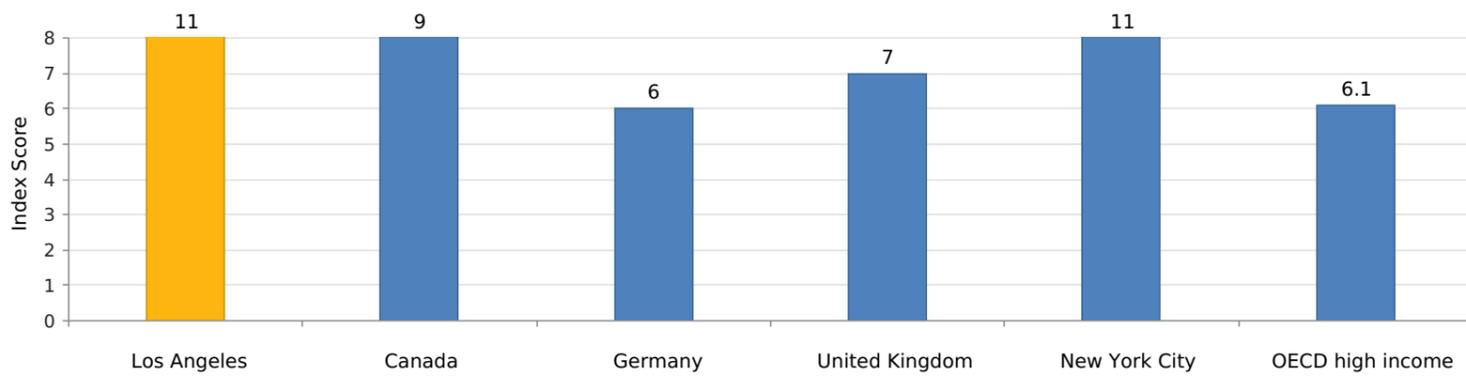
Indicator	Los Angeles	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	11	6.1	12 (5 Economies)
Depth of credit information index (0-8)	8	6.7	8 (42 Economies)
Credit registry coverage (% of adults)	0	21.8	100.0 (4 Economies)
Credit bureau coverage (% of adults)	100	65.3	100.0 (25 Economies)

Figure - Getting Credit in Los Angeles and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

Figure - Legal Rights in Los Angeles and comparator economies

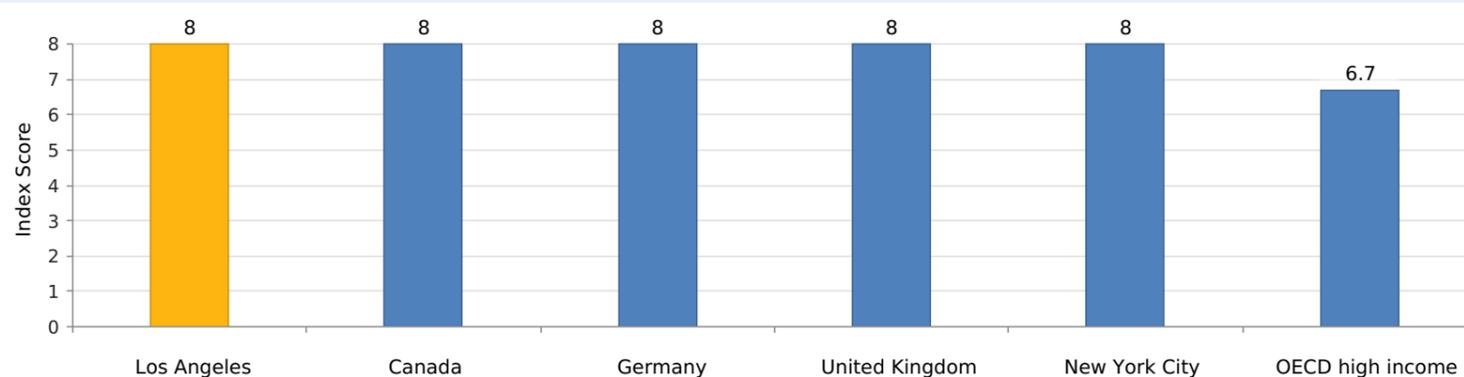


Details - Legal Rights in Los Angeles

Strength of legal rights index (0-12) **11**

Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy?	Yes
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	Yes
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	Yes
May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets?	Yes
Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?	Yes
Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name?	No
Does a notice-based collateral registry exist in which all functional equivalents can be registered?	Yes
Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated?	Yes
Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it?	Yes
Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt?	Yes

Figure - Credit Information in Los Angeles and comparator economies



Details - Credit Information in Los Angeles

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	Yes	No	1
Are both positive and negative credit data distributed?	Yes	No	1
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	Yes	No	1
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	Yes	No	1
Are data on loan amounts below 1% of income per capita distributed?	Yes	No	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	Yes	No	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	Yes	No	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	Yes	No	1
Total Score ("yes" to either public bureau or private registry)			8

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	220,000,000	0
Number of firms	24,950,620	0
Total	244,950,620	0
Percentage of adult population	100	0

Protecting Minority Investors

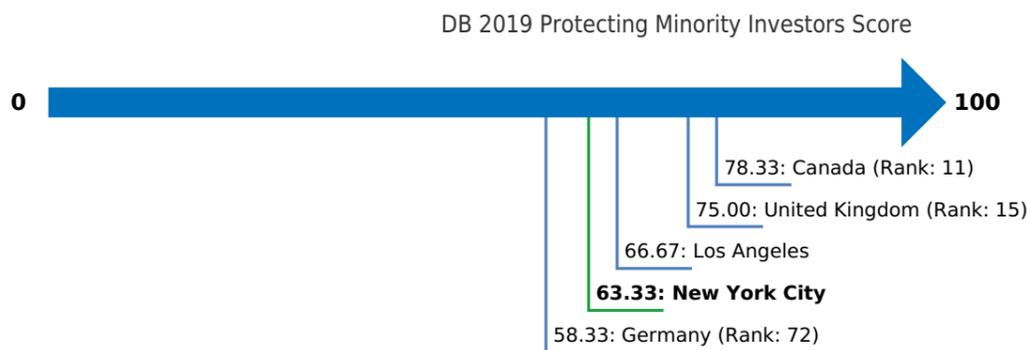
This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2018.

What the indicators measure	Case study assumptions
<ul style="list-style-type: none"> • Extent of disclosure index (0-10): Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions • Extent of director liability index (0-10): Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction) • Ease of shareholder suits index (0-10): Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses • Extent of conflict of interest regulation index (0-10): Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices • Extent of shareholder rights index (0-10): Shareholders' rights and role in major corporate decisions • Extent of ownership and control index (0-10): Governance safeguards protecting shareholders from undue board control and entrenchment • Extent of corporate transparency index (0-10): Corporate transparency on ownership stakes, compensation, audits and financial prospects • Extent of shareholder governance index (0-10): Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices • Strength of minority investor protection index (0-10): Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices 	<p>To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.</p> <p>The business (Buyer):</p> <ul style="list-style-type: none"> - Is a publicly traded corporation listed on the economy's most important stock exchange. If there are fewer than ten listed companies or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders. - Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law. - Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members. - Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory. - Is a manufacturing company with its own distribution network. <p>The transaction involves the following details:</p> <ul style="list-style-type: none"> - Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board. - Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores. - Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value. - The proposed transaction is part of the company's principal activity and is not outside the authority of the company. - Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently. - The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.

Protecting Minority Investors - New York City

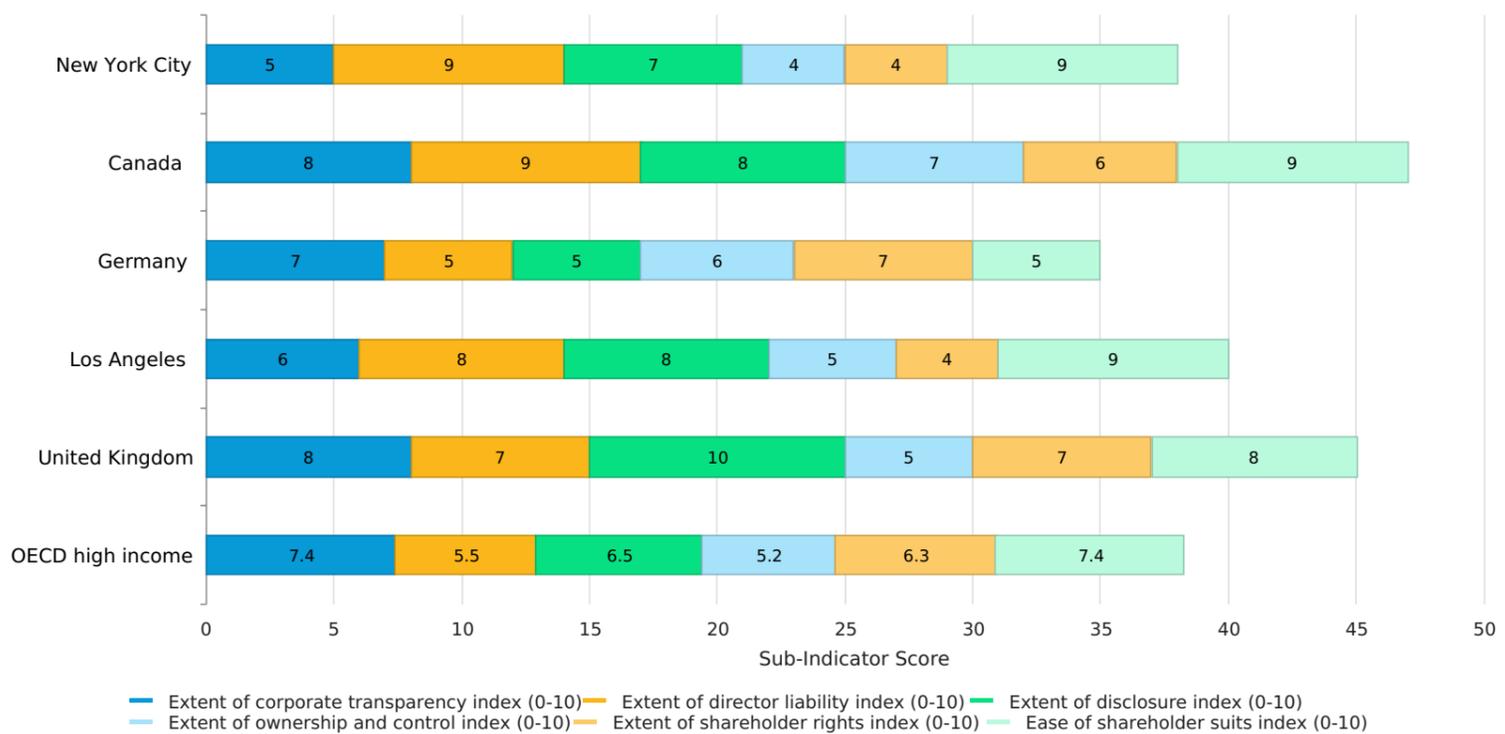
Indicator	New York City	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	7.0	6.5	10 (13 Economies)
Extent of director liability index (0-10)	9.0	5.3	10 (Cambodia)
Ease of shareholder suits index (0-10)	9.0	7.3	10 (Djibouti)
Extent of shareholder rights index (0-10)	4.0	6.4	10 (Kazakhstan)
Extent of ownership and control index (0-10)	4.0	5.4	None in 2017/18
Extent of corporate transparency index (0-10)	5.0	7.6	10 (6 Economies)

Figure - Protecting Minority Investors in New York City and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure - Protecting Minority Investors in New York City and comparator economies - Measure of Quality



Details - Protecting Minority Investors in New York City - Measure of Quality

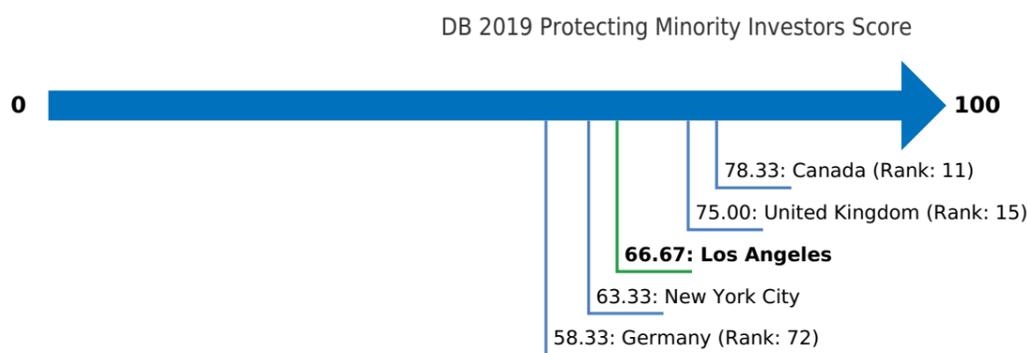
	Answer	Score
Extent of conflict of interest regulation index (0-10)		8.3
Extent of disclosure index (0-10)		7.0
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Shareholders or board of directors including interested parties	1.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Must Buyer immediately disclose the transaction to the public? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Extent of director liability index (0-10)		9.0
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Liable if unfair or prejudicial	2.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Liable if unfair or prejudicial	2.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	Yes	1.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if unfair or prejudicial	2.0
Ease of shareholder suits index (0-10)		9.0
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	Yes	1.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	Yes	2.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
Extent of shareholder governance index (0-10)		4.3
Extent of shareholder rights index (0-10)		4.0
Does the sale of 51% of Buyer's assets require shareholder approval?	Yes	1.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	No	0.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	No	0.0

Do shareholders automatically receive preemption rights every time Buyer issues new shares?	No	0.0
Must shareholders approve the election and dismissal of the external auditor?	No	0.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	Yes	1.0
Assuming that Buyer is a limited company, must all or almost all members consent to add a new member?	No	0.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	No	0.0
Extent of ownership and control index (0-10)		4.0
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	Yes	1.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	Yes	1.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Must Buyer pay declared dividends within a maximum period set by law?	No	0.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	No	0.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	Yes	1.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	No	0.0
Extent of corporate transparency index (0-10)		5.0
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes	1.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	Yes	1.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	No	0.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	No	0.0
Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0
Assuming that Buyer is a limited company, must members meet at least once a year?	No	0.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	No	0.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	No	0.0

Protecting Minority Investors - Los Angeles

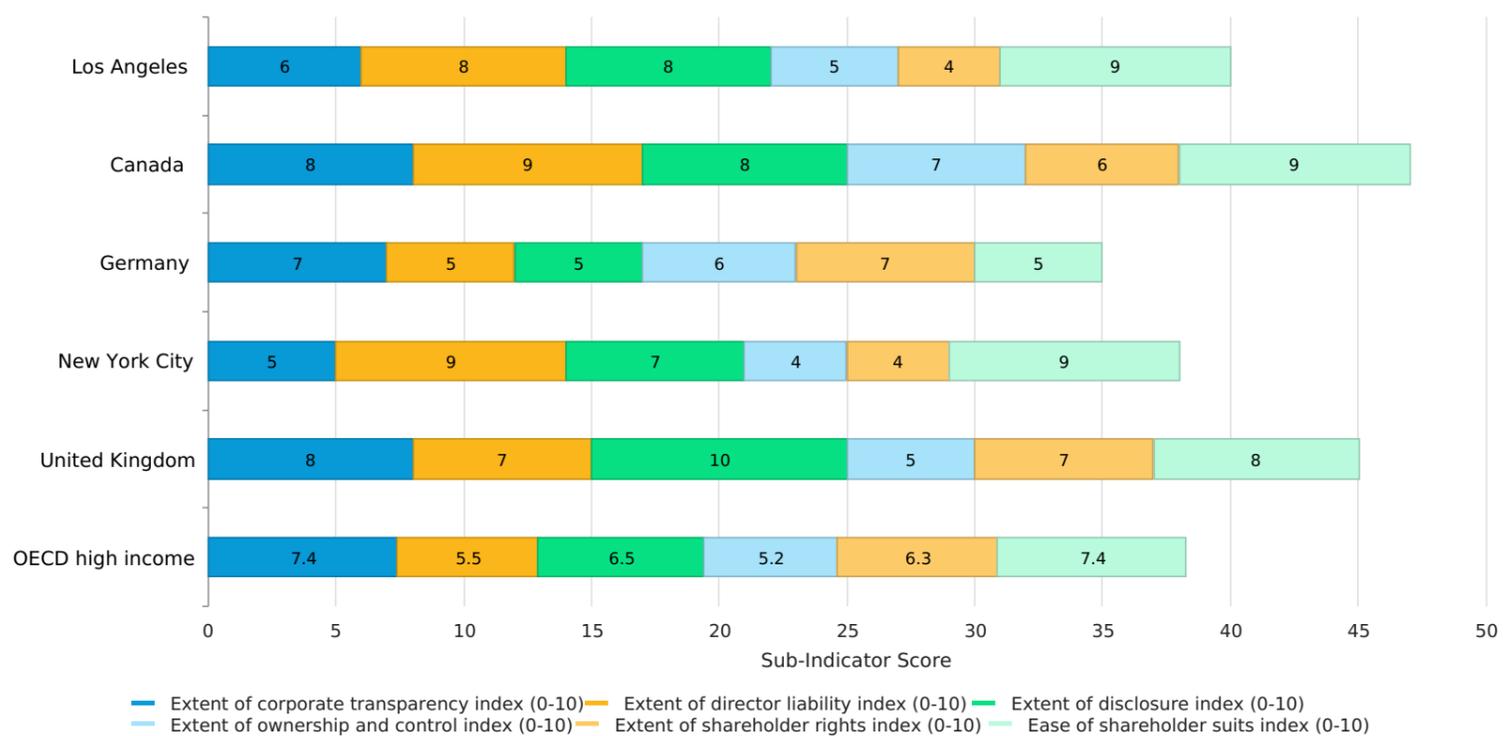
Indicator	Los Angeles	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	8.0	6.5	10 (13 Economies)
Extent of director liability index (0-10)	8.0	5.3	10 (Cambodia)
Ease of shareholder suits index (0-10)	9.0	7.3	10 (Djibouti)
Extent of shareholder rights index (0-10)	4.0	6.4	10 (Kazakhstan)
Extent of ownership and control index (0-10)	5.0	5.4	None in 2017/18
Extent of corporate transparency index (0-10)	6.0	7.6	10 (6 Economies)

Figure - Protecting Minority Investors in Los Angeles and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure - Protecting Minority Investors in Los Angeles and comparator economies - Measure of Quality



Details - Protecting Minority Investors in Los Angeles - Measure of Quality

	Answer	Score
Extent of conflict of interest regulation index (0-10)		8.3
Extent of disclosure index (0-10)		8.0
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Board of directors excluding interested members	2.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Must Buyer immediately disclose the transaction to the public? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Extent of director liability index (0-10)		8.0
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Liable if negligent	1.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Liable if unfair or prejudicial	2.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	Yes	1.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if unfair or prejudicial	2.0
Ease of shareholder suits index (0-10)		9.0
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	Yes	1.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	Yes	2.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
Extent of shareholder governance index (0-10)		5.0
Extent of shareholder rights index (0-10)		4.0
Does the sale of 51% of Buyer's assets require shareholder approval?	Yes	1.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	Yes	1.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	No	0.0

Do shareholders automatically receive preemption rights every time Buyer issues new shares?	No	0.0
Must shareholders approve the election and dismissal of the external auditor?	No	0.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	No	0.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	Yes	1.0
Assuming that Buyer is a limited company, must all or almost all members consent to add a new member?	No	0.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	No	0.0
Extent of ownership and control index (0-10)		5.0
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	Yes	1.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	Yes	1.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Must Buyer pay declared dividends within a maximum period set by law?	Yes	1.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	No	0.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	Yes	1.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	No	0.0
Extent of corporate transparency index (0-10)		6.0
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes	1.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	Yes	1.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	Yes	1.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	No	0.0
Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0
Assuming that Buyer is a limited company, must members meet at least once a year?	No	0.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	No	0.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	No	0.0

Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2018 covering for the Paying Taxes indicator calendar year 2017 (January 1, 2017 – December 31, 2017).

What the indicators measure

Tax payments for a manufacturing company in 2017 (number per year adjusted for electronic and joint filing and payment)

- Total number of taxes and contributions paid or withheld, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

Time required to comply with 3 major taxes (hours per year)

- Collecting information, computing tax payable
- Preparing separate tax accounting books, if required
- Completing tax return, filing with agencies
- Arranging payment or withholding

Total tax and contribution rate (% of commercial profits)

- Profit or corporate income tax
- Social contributions, labor taxes paid by employer
- Property and property transfer taxes
- Dividend, capital gains, financial transactions taxes
- Waste collection, vehicle, road and other taxes

Postfiling Index

- Time to comply with a VAT refund (hours)
- Time to obtain a VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

Case study assumptions

Using a case scenario, *Doing Business* records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:

- TaxpayerCo is a medium-size business that started operations on January 1, 2016. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2017). Taxes and mandatory contributions are measured at all levels of government.

The VAT refund process:

- In June 2017, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2017.

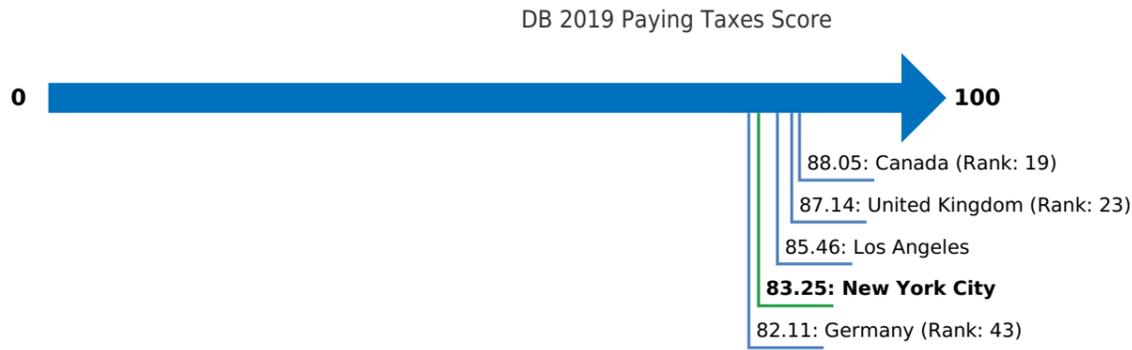
The corporate income tax audit process:

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

Paying Taxes - New York City

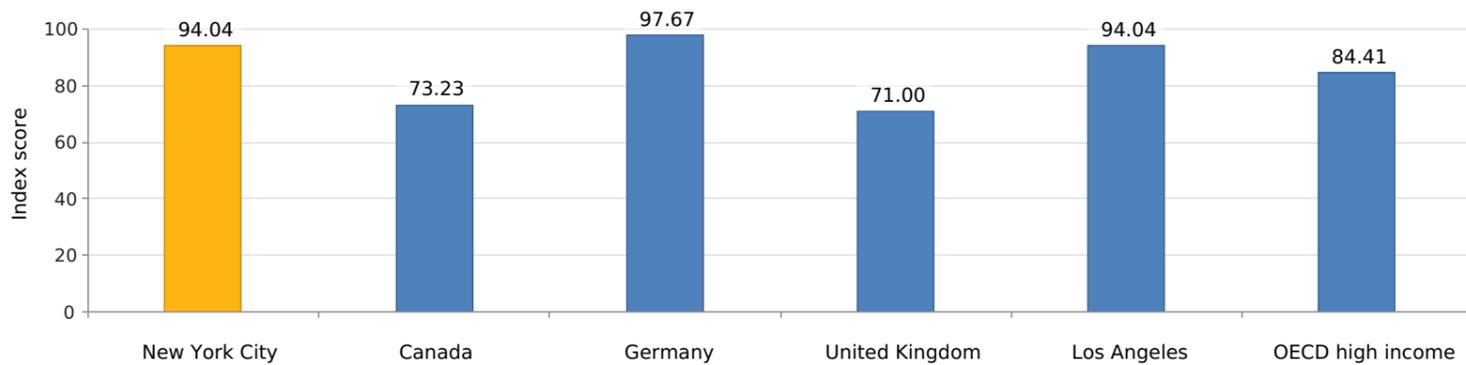
Indicator	New York City	OECD high income	Best Regulatory Performance
Payments (number per year)	11	11.2	3 (Hong Kong SAR, China)
Time (hours per year)	175	159.4	49 (Singapore)
Total tax and contribution rate (% of profit)	45.7	39.8	26.1% (32 Economies)
Postfiling index (0-100)	94.04	84.41	None in 2017/18

Figure - Paying Taxes in New York City and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure - Paying Taxes in New York City and comparator economies - Measure of Quality



Details - Paying Taxes in New York City

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Federal corporate income tax	1.0	online	87.0	34% (progressive schedule)	taxable income	17.93	
NY City and State property tax	1.0			10.514% per \$100 valuation	45% of FMV	7.01	
Employer paid - Federal old-age, survivors and disability insurance tax (OASDI)	1.0	online	55.0	6.2%	gross salaries with ceiling	6.99	
NYC corporation tax	0.0	jointly		8.85%	taxable income	5.48	
NYS corporation tax	1.0	online		6.5%	taxable income	3.67	
Employer paid - Hospital insurance contributions	0.0	jointly		1.45%	gross salaries	1.64	
NYC real estate transfer tax	1.0			2.63%	sale price	1.59	
Employer paid - NYS unemployment tax	1.0	online		4.1%	gross salaries with ceiling	0.89	
Employer paid - Metropolitan commuter transportation mobility tax (MCTMT)	1.0	online		0.34%	gross salaries	0.38	
Employer paid - Federal unemployment tax (FUTA)	1.0	online		0.6% (6% FUTA - 5.4% tax credit)	gross salaries with ceiling	0.08	
NY City and State sales and use tax of lease truck	1.0			8.875%	leasing expenses	0.07	
Sales tax	1.0	online	33.0	8.875%	sales	0.00	withheld
Employee paid - Federal old-age, survivors and disability insurance tax (OASDI)	0.0	online and jointly		6.2%	gross salaries with ceiling	0.00	withheld

Employee paid - Hospital insurance contributions	0.0	jointly	1.45%	gross salaries	0.00	withheld
Fuel tax	1.0		18.4 cents + 8 cents per gallon	fuel consumption	0.00	small amount
Totals	11				45.7	

Details - Paying Taxes in New York City - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	27.1
Labor tax and contributions (% of profit)	10
Other taxes (% of profit)	8.7

Details - Paying Taxes in New York City - Measure of Quality

	Answer	Score
Postfiling index (0-100)		94.04
VAT refunds		
Does VAT exist?	No	
Does a VAT refund process exist per the case study?	N/A	
Restrictions on VAT refund process	N/A	
Percentage of cases exposed to a VAT audit (%)	Not applicable	
Is there a mandatory carry forward period?	No	
Time to comply with VAT refund (hours)	No VAT	No VAT
Time to obtain a VAT refund (weeks)	No VAT	No VAT
Corporate income tax audits		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	0% - 24%	
Time to comply with a corporate income tax correction (hours)	8.0	88.07
Time to complete a corporate income tax correction (weeks)	No tax audit per case study scenario	100

Notes: Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

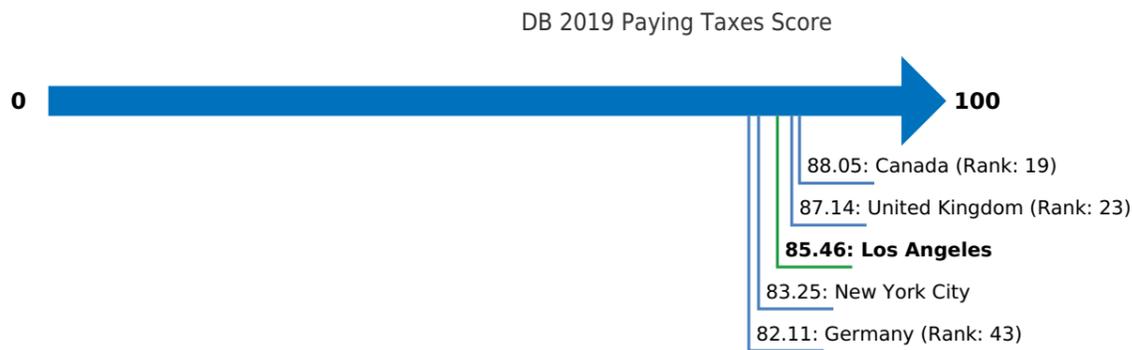
The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

Paying Taxes - Los Angeles

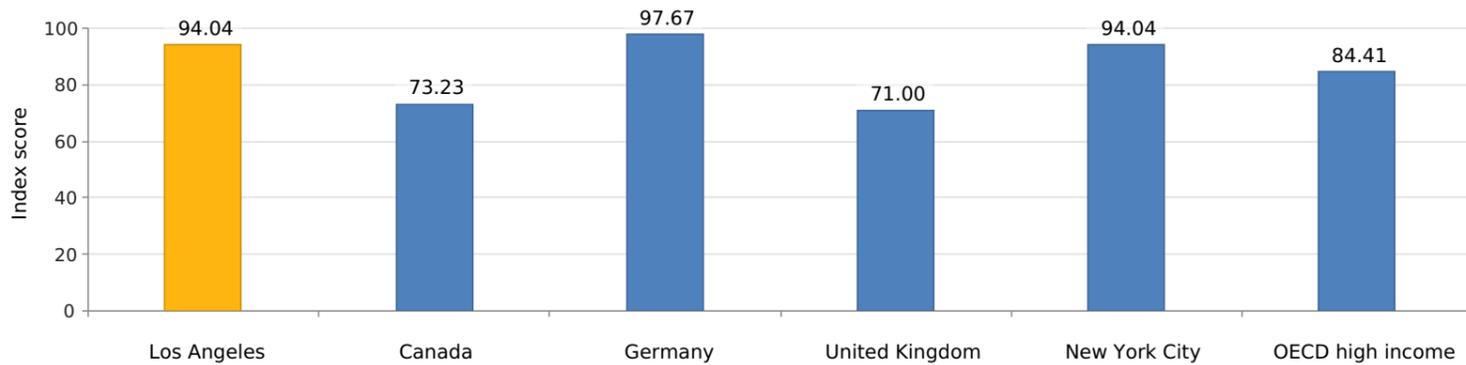
Indicator	Los Angeles	OECD high income	Best Regulatory Performance
Payments (number per year)	10	11.2	3 (Hong Kong SAR, China)
Time (hours per year)	175	159.4	49 (Singapore)
Total tax and contribution rate (% of profit)	40.9	39.8	26.1% (32 Economies)
Postfiling index (0-100)	94.04	84.41	None in 2017/18

Figure - Paying Taxes in Los Angeles and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure - Paying Taxes in Los Angeles and comparator economies - Measure of Quality



Details - Paying Taxes in Los Angeles

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Federal corporate income tax	1.0	online	87.0	34% (progressive schedule)	taxable income	20.27	
Federal Old-age, survivors and disability insurance tax (OASDI)	1.0	online	55.0	6.2%	gross salaries with ceiling	6.99	
CA State corporation tax	1.0	online		8.84%	taxable income	6.74	
Los Angeles City Business Tax ("LACBT")	1.0	online		0.127%	gross receipts	2.25	
LA & State Property Taxes	1.0	online		1.198%	MV of land and buildings	1.77	
Employer paid - Hospital insurance contributions	0.0	jointly		1.45%	gross salaries	1.64	
CA State unemployment tax	1.0	online		4.5% (3.4% UI + 0.1% ETT + 1% SDI)	gross salaries with ceiling	0.76	
LA Real Estate Transfer Tax	1.0			\$2.80 per \$500 of consideration	sale price	0.34	
Federal unemployment tax (FUTA)	1.0	online		0.6% (6% FUTA - 5.4% tax credit)	gross salaries with ceiling	0.08	
CA State & City Sales and Use Tax on lease of new truck	0.0	jointly		8.875%	leasing expenses	0.07	
Sales tax	1.0	online	33.0	9%	sales	0.00	withheld
Fuel tax	1.0			18.4 cents + 8 cents per gallon	fuel consumption	0.00	small amount
Employee paid - Federal old-age, survivors and disability insurance tax (OASDI)	0.0	jointly		6.2%	gross salaries with ceiling	0.00	withheld
Employee paid - Hospital insurance contributions	0.0	jointly		1.45%	gross salaries	0.00	withheld

Totals	10	175	40.9
--------	----	-----	------

Details - Paying Taxes in Los Angeles - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	29.3
Labor tax and contributions (% of profit)	9.5
Other taxes (% of profit)	2.2

Details - Paying Taxes in Los Angeles - Measure of Quality

	Answer	Score
Postfiling index (0-100)		94.04
VAT refunds		
Does VAT exist?	No	
Does a VAT refund process exist per the case study?	N/A	
Restrictions on VAT refund process	N/A	
Percentage of cases exposed to a VAT audit (%)	Not applicable	
Is there a mandatory carry forward period?	No	
Time to comply with VAT refund (hours)	No VAT	No VAT
Time to obtain a VAT refund (weeks)	No VAT	No VAT
Corporate income tax audits		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	0% - 24%	
Time to comply with a corporate income tax correction (hours)	8.0	88.07
Time to complete a corporate income tax correction (weeks)	No tax audit per case study scenario	100

Notes: Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

Trading across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2018.

What the indicators measure

Documentary compliance

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

Border compliance

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

Domestic transport

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

Time: Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as $22 \times 24 = 528$ hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

Cost: Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.

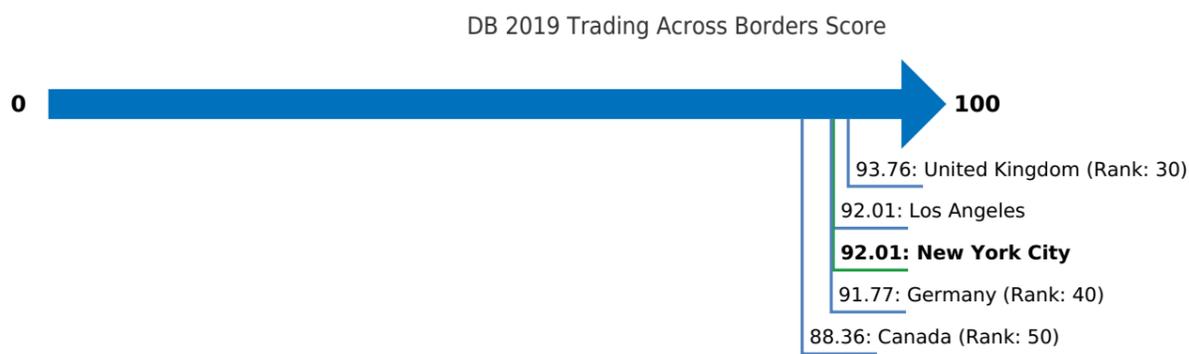
Assumptions of the case study:

- For all 190 economies covered by *Doing Business*, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.
- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000.
- The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.
- All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.
- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.
- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.

Trading across Borders - New York City

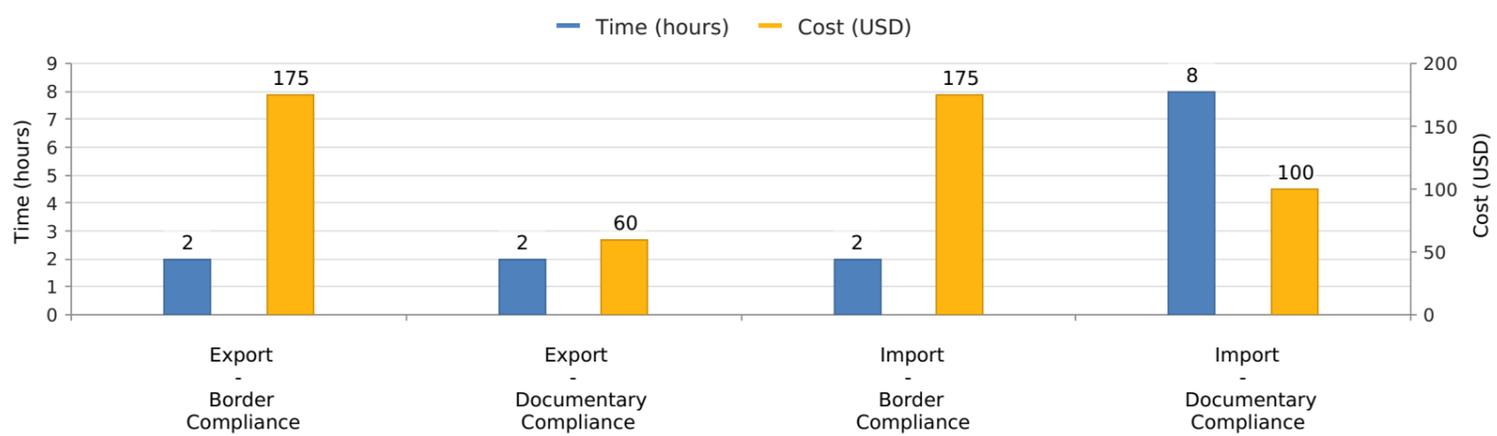
Indicator	New York City	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	2	12.5	1 (19 Economies)
Cost to export: Border compliance (USD)	175	139.1	0 (19 Economies)
Time to export: Documentary compliance (hours)	2	2.4	1 (26 Economies)
Cost to export: Documentary compliance (USD)	60	35.2	0 (20 Economies)
Time to import: Border compliance (hours)	2	8.5	0 (25 Economies)
Cost to import: Border compliance (USD)	175	100.2	0 (28 Economies)
Time to import: Documentary compliance (hours)	8	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	100	24.9	0 (30 Economies)

Figure - Trading across Borders in New York City and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure - Trading across Borders in New York City - Time and Cost



Details - Trading across Borders in New York City

Characteristics	Export	Import
Product	HS 84 : Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	HS 8708: Parts and accessories of motor vehicles
Trade partner	Canada	Mexico
Border	Buffalo border crossing	Laredo border crossing
Distance (km)	600	3192
Domestic transport time (hours)	24	109
Domestic transport cost (USD)	1361	4373

Details - Trading across Borders in New York City - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	1.3	175.0
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	0.5	0.0
Import: Clearance and inspections required by customs authorities	1.5	175.0
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	0.5	0.0

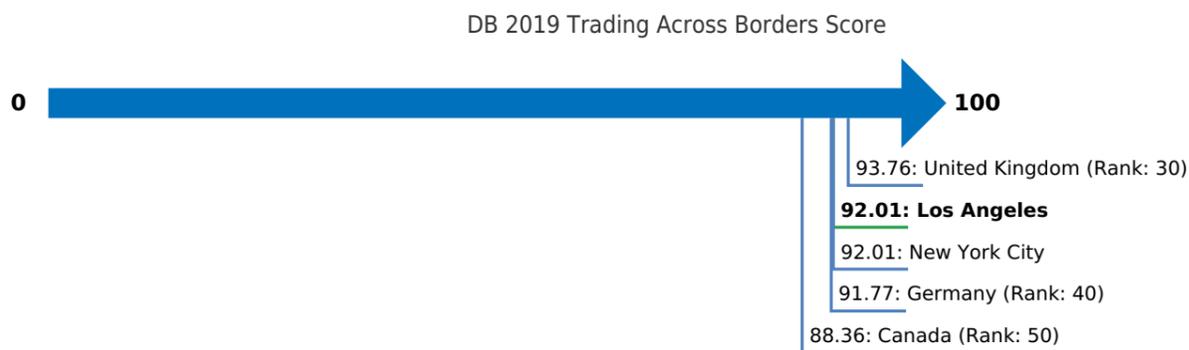
Details - Trading across Borders in New York City - Trade Documents

Export	Import
Inland bill of lading	Inland bill of lading
Commercial Invoice/ cargo control document	NAFTA - Certificate of origin
NAFTA Certificate of origin/ Canadian Customs Invoice	Commercial Invoice
Packing List	Packing List
	Customs Release Form 3461
	Customs Entry Form 7501

Trading across Borders - Los Angeles

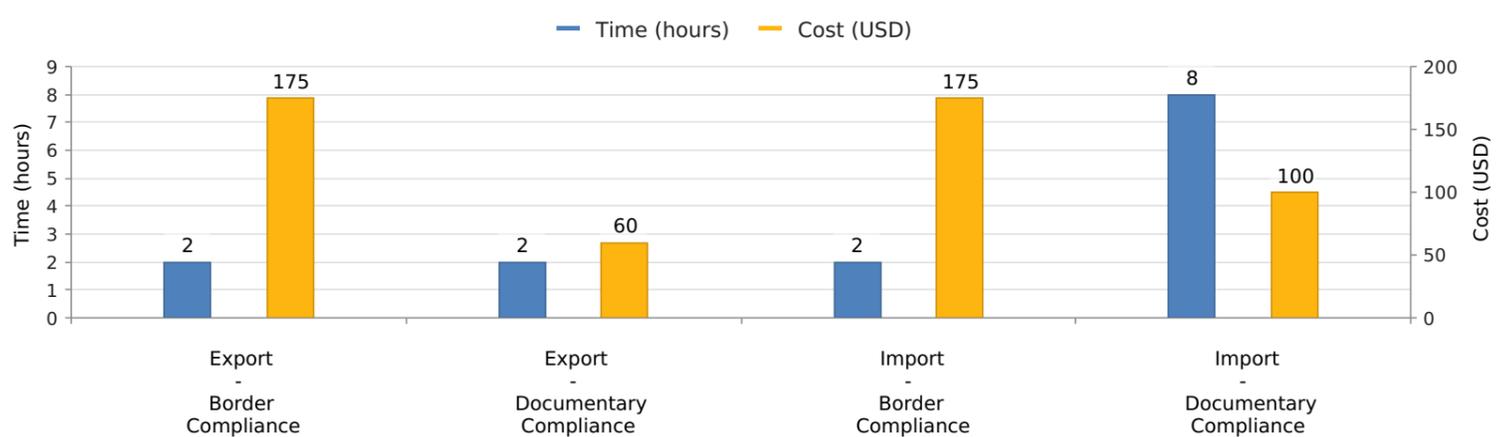
Indicator	Los Angeles	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	2	12.5	1 (19 Economies)
Cost to export: Border compliance (USD)	175	139.1	0 (19 Economies)
Time to export: Documentary compliance (hours)	2	2.4	1 (26 Economies)
Cost to export: Documentary compliance (USD)	60	35.2	0 (20 Economies)
Time to import: Border compliance (hours)	2	8.5	0 (25 Economies)
Cost to import: Border compliance (USD)	175	100.2	0 (28 Economies)
Time to import: Documentary compliance (hours)	8	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	100	24.9	0 (30 Economies)

Figure - Trading across Borders in Los Angeles and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure - Trading across Borders in Los Angeles - Time and Cost



Details - Trading across Borders in Los Angeles

Characteristics	Export	Import
Product	HS 84 : Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	HS 8708: Parts and accessories of motor vehicles
Trade partner	Canada	Mexico
Border	Detroit border crossing	El Paso border crossing
Distance (km)	3670	1295
Domestic transport time (hours)	85	31
Domestic transport cost (USD)	6017	1931

Details - Trading across Borders in Los Angeles - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	1.3	175.0
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	0.5	0.0
Import: Clearance and inspections required by customs authorities	1.5	175.0
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	0.5	0.0

Details - Trading across Borders in Los Angeles - Trade Documents

Export	Import
Inland bill of lading	Inland bill of lading
Commercial invoice/ cargo control document	NAFTA - Certificate of origin
NAFTA Certificate of origin/ Canadian Customs Invoice	Commercial Invoice
Packing List	Packing List
	Customs Release Form 3461
	Customs Entry Form 7501

Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2018.

What the indicators measure	Case study assumptions
<p>Time required to enforce a contract through the courts (calendar days)</p>	<p>The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.</p>
<ul style="list-style-type: none"> • Time to file and serve the case • Time for trial and to obtain the judgment • Time to enforce the judgment 	<p>To make the data comparable across economies, <i>Doing Business</i> uses several assumptions about the case:</p>
<p>Cost required to enforce a contract through the courts (% of claim)</p>	<ul style="list-style-type: none"> - The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
<ul style="list-style-type: none"> • Attorney fees • Court fees • Enforcement fees 	<ul style="list-style-type: none"> - The buyer orders custom-made goods, then fails to pay alleging that the goods are not of adequate quality.
<p>Quality of judicial processes index (0-18)</p>	<ul style="list-style-type: none"> - The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.
<ul style="list-style-type: none"> • Court structure and proceedings (-1-5) 	<ul style="list-style-type: none"> - The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000.
<ul style="list-style-type: none"> • Case management (0-6) 	<ul style="list-style-type: none"> - The seller requests the pretrial attachment of the defendant's movable assets to secure the claim.
<ul style="list-style-type: none"> • Court automation (0-4) 	<ul style="list-style-type: none"> - The dispute on the quality of the goods requires an expert opinion.
<ul style="list-style-type: none"> • Alternative dispute resolution (0-3) 	<ul style="list-style-type: none"> - The judge decides in favor of the seller; there is no appeal.
	<ul style="list-style-type: none"> - The seller enforces the judgment through a public sale of the buyer's movable assets.

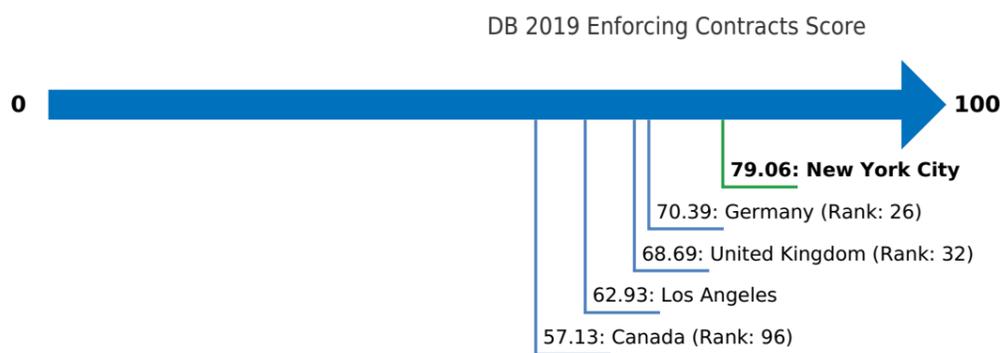
Enforcing Contracts - New York City

Standardized Case

Claim value	USD 116,050
Court name	Supreme Court of the State of New York, Civil Branch
City Covered	New York City

Indicator	New York City	OECD high income	Best Regulatory Performance
Time (days)	370	582.4	None in 2017/18
Cost (% of claim value)	22.9	21.2	None in 2017/18
Quality of judicial processes index (0-18)	15.0	11.5	None in 2017/18

Figure - Enforcing Contracts in New York City and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure - Enforcing Contracts in New York City - Time and Cost

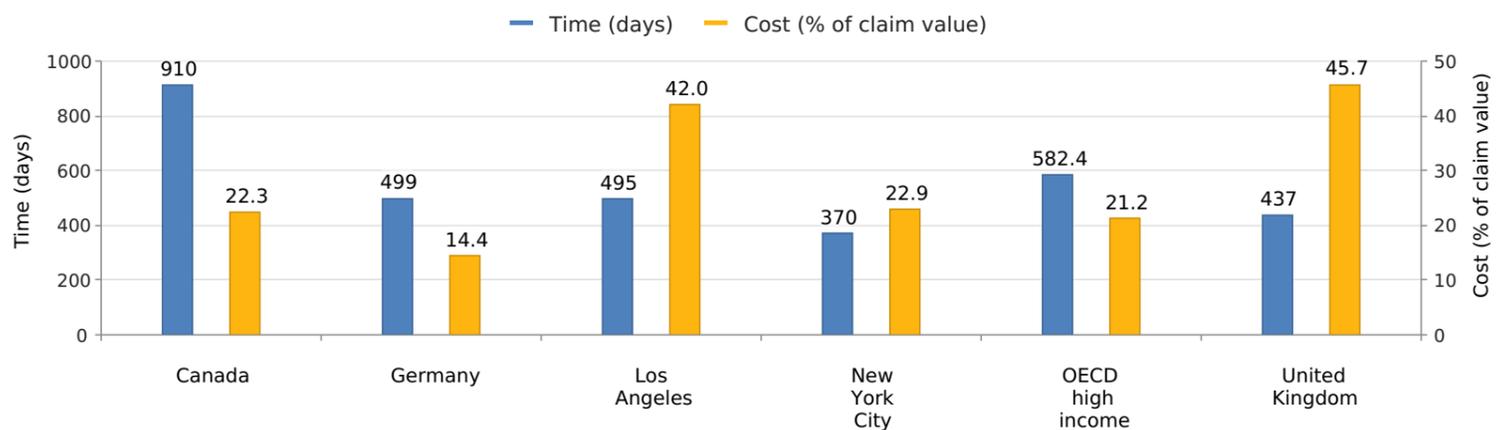
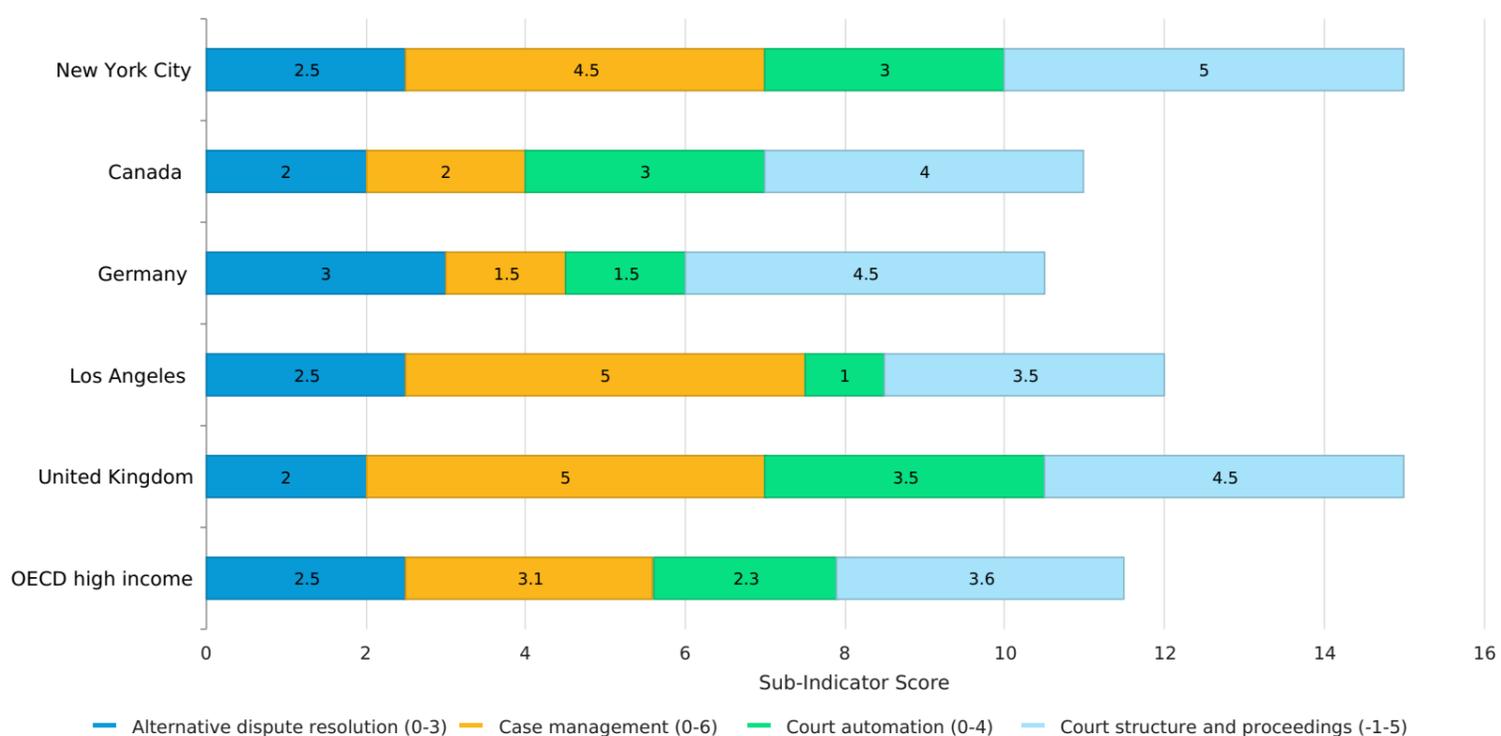


Figure - Enforcing Contracts in New York City and comparator economies - Measure of Quality



Details - Enforcing Contracts in New York City

	Indicator
Time (days)	370
Filing and service	30
Trial and judgment	240
Enforcement of judgment	100
Cost (% of claim value)	22.9
Attorney fees	14.4
Court fees	5
Enforcement fees	3.5
Quality of judicial processes index (0-18)	15.0
Court structure and proceedings (-1-5)	5.0
Case management (0-6)	4.5
Court automation (0-4)	3.0
Alternative dispute resolution (0-3)	2.5

Details - Enforcing Contracts in New York City - Measure of Quality

	Answer	Score
Quality of judicial processes index (0-18)		15.0
Court structure and proceedings (-1-5)		5.0
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	Yes	1.5
2. Small claims court		1.5
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	Yes	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, automatic	1.0
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
Case management (0-6)		4.5
1. Time standards		1.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	Yes	
1.c. Are these time standards respected in more than 50% of cases?	Yes	
2. Adjournments		0.5
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	Yes	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	Yes	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	No	0.0
4. Is a pretrial conference among the case management techniques used before the competent court?	Yes	1.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	Yes	1.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	Yes	1.0
Court automation (0-4)		3.0
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	yes	1.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	Yes	1.0
4. Publication of judgments		1.0
4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
Alternative dispute resolution (0-3)		2.5
1. Arbitration		1.5

1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	
2. Mediation/Conciliation		1.0
2.a. Is voluntary mediation or conciliation available?	Yes	
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	Yes	
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	No	

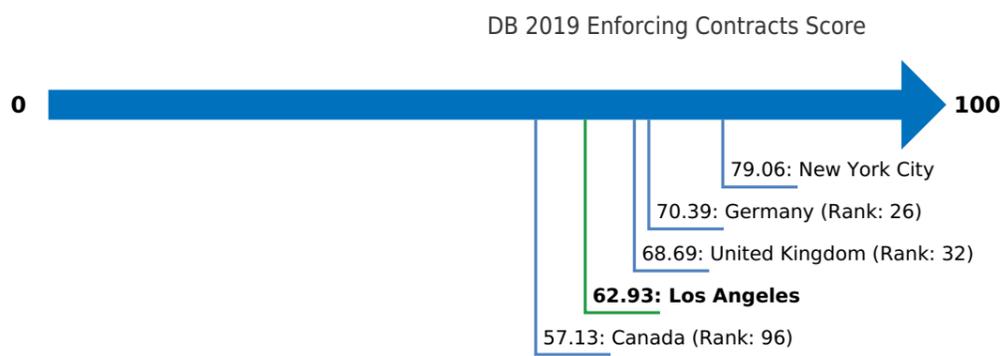
Enforcing Contracts - Los Angeles

Standardized Case

Claim value	USD 116,050
Court name	Superior Court of California, County of Los Angeles
City Covered	Los Angeles

Indicator	Los Angeles	OECD high income	Best Regulatory Performance
Time (days)	495	582.4	None in 2017/18
Cost (% of claim value)	42.0	21.2	None in 2017/18
Quality of judicial processes index (0-18)	12.0	11.5	None in 2017/18

Figure - Enforcing Contracts in Los Angeles and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure - Enforcing Contracts in Los Angeles - Time and Cost

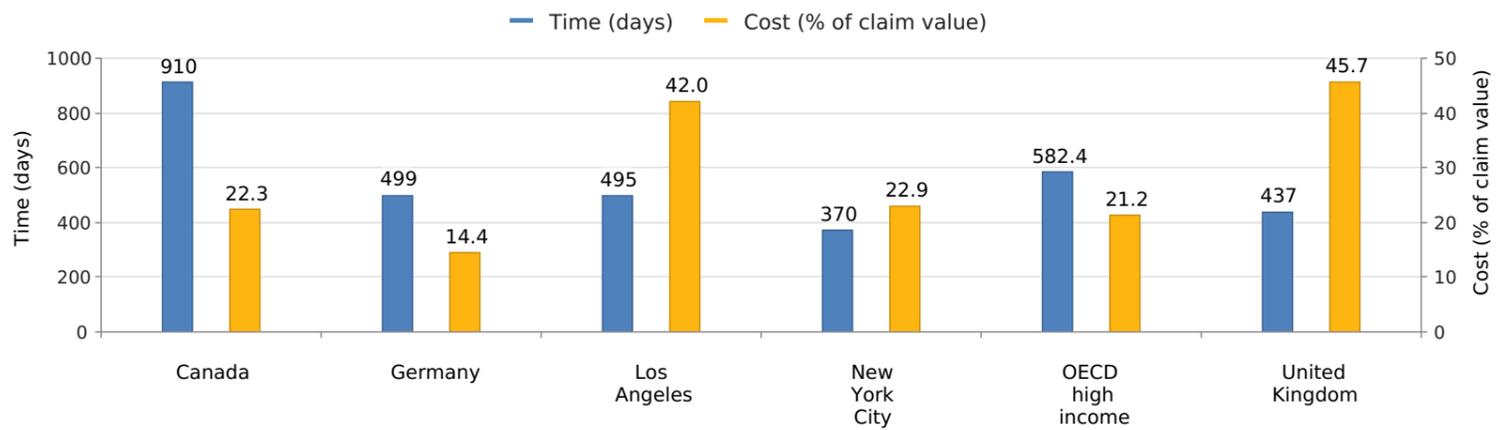
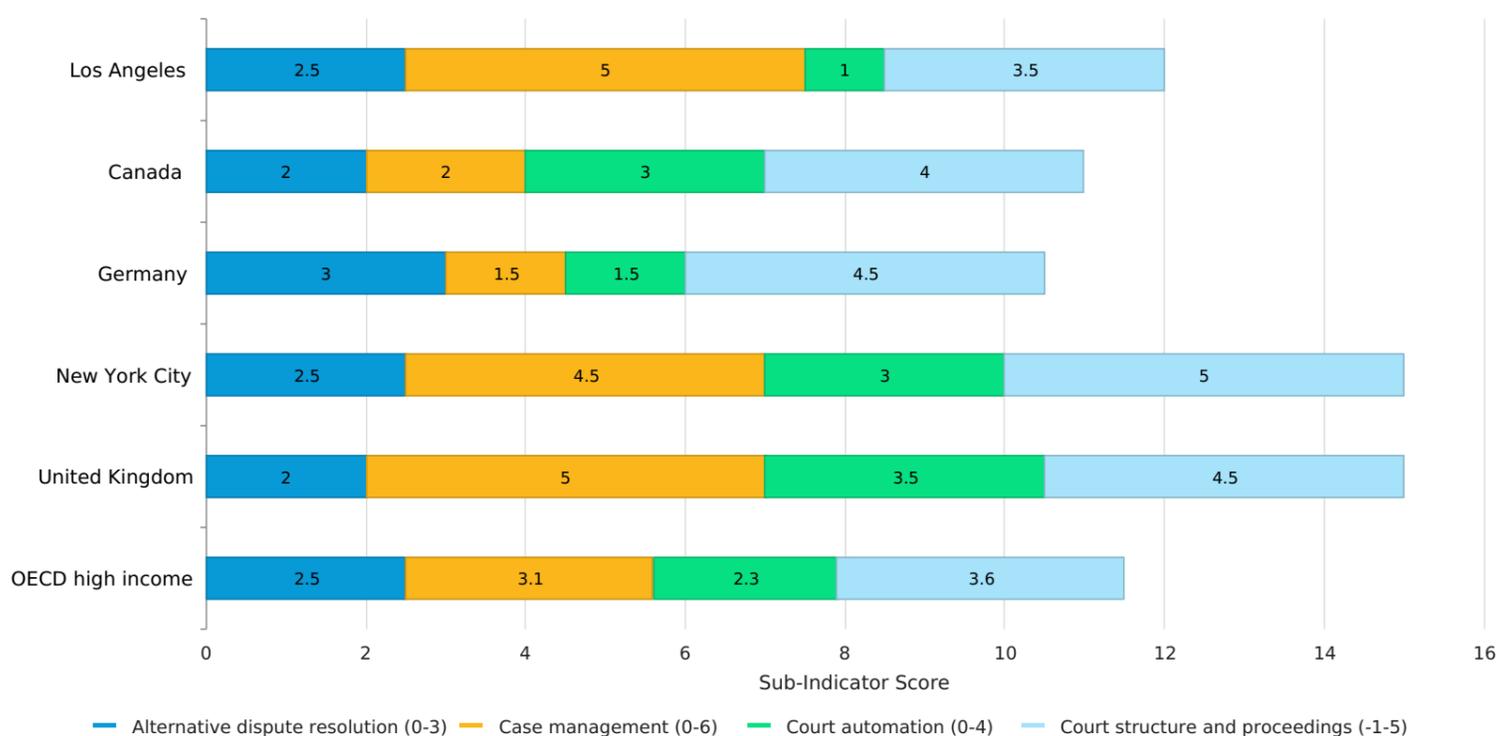


Figure - Enforcing Contracts in Los Angeles and comparator economies - Measure of Quality



Details - Enforcing Contracts in Los Angeles

	Indicator
Time (days)	495
Filing and service	30
Trial and judgment	365
Enforcement of judgment	100
Cost (% of claim value)	42.0
Attorney fees	30
Court fees	5
Enforcement fees	7
Quality of judicial processes index (0-18)	12.0
Court structure and proceedings (-1-5)	3.5
Case management (0-6)	5.0
Court automation (0-4)	1.0
Alternative dispute resolution (0-3)	2.5

Details - Enforcing Contracts in Los Angeles - Measure of Quality

	Answer	Score
Quality of judicial processes index (0-18)		12.0
Court structure and proceedings (-1-5)		3.5
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	No	0.0
2. Small claims court		1.5
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	Yes	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, automatic	1.0
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
Case management (0-6)		5.0
1. Time standards		1.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	Yes	
1.c. Are these time standards respected in more than 50% of cases?	Yes	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	No	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	n.a.	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	Yes	1.0
4. Is a pretrial conference among the case management techniques used before the competent court?	Yes	1.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	Yes	1.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	Yes	1.0
Court automation (0-4)		1.0
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	no	0.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	No	0.0
4. Publication of judgments		1.0
4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
Alternative dispute resolution (0-3)		2.5
1. Arbitration		1.5

1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	
2. Mediation/Conciliation		1.0
2.a. Is voluntary mediation or conciliation available?	Yes	
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	Yes	
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	No	

Resolving Insolvency

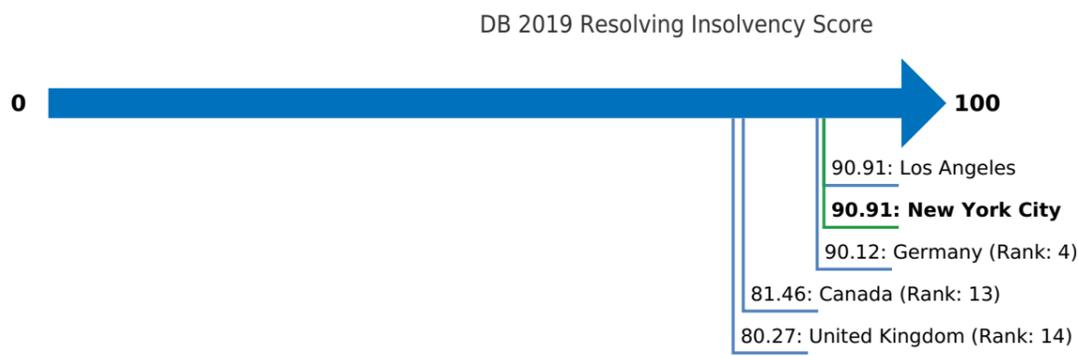
Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2018.

What the indicators measure	Case study assumptions
Time required to recover debt (years)	To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:
<ul style="list-style-type: none"> • Measured in calendar years • Appeals and requests for extension are included 	<ul style="list-style-type: none"> - A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties.
Cost required to recover debt (% of debtor's estate)	<ul style="list-style-type: none"> - The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater.
<ul style="list-style-type: none"> • Measured as percentage of estate value • Court fees • Fees of insolvency administrators • Lawyers' fees • Assessors' and auctioneers' fees • Other related fees 	<ul style="list-style-type: none"> - The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise.
Outcome	In addition, <i>Doing Business</i> evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.
<ul style="list-style-type: none"> • Whether business continues operating as a going concern or business assets are sold piecemeal 	
Recovery rate for creditors	
<ul style="list-style-type: none"> • Measures the cents on the dollar recovered by secured creditors • Outcome for the business (survival or not) determines the maximum value that can be recovered • Official costs of the insolvency proceedings are deducted • Depreciation of furniture is taken into account • Present value of debt recovered 	
Strength of insolvency framework index (0- 16)	
<ul style="list-style-type: none"> • Sum of the scores of four component indices: • Commencement of proceedings index (0-3) • Management of debtor's assets index (0-6) • Reorganization proceedings index (0-3) • Creditor participation index (0-4) 	

Resolving Insolvency - New York City

Indicator	New York City	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	81.8	70.5	None in 2017/18
Time (years)	1.0	1.7	0.4 (Ireland)
Cost (% of estate)	10.0	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	1
Strength of insolvency framework index (0-16)	15.0	11.9	None in 2017/18

Figure - Resolving Insolvency in New York City and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure - Resolving Insolvency in New York City - Time and Cost

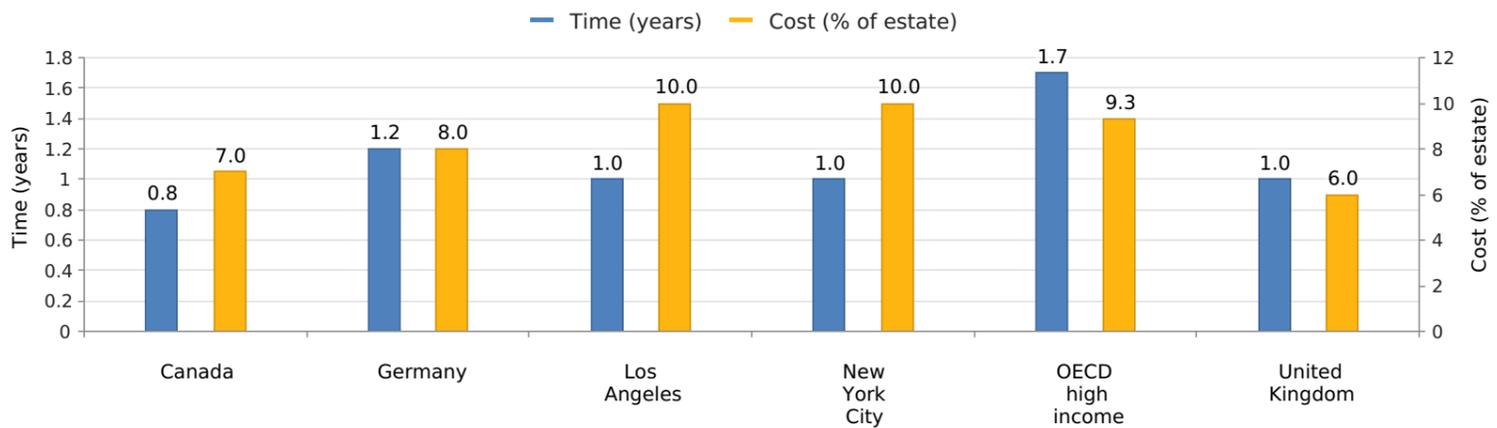
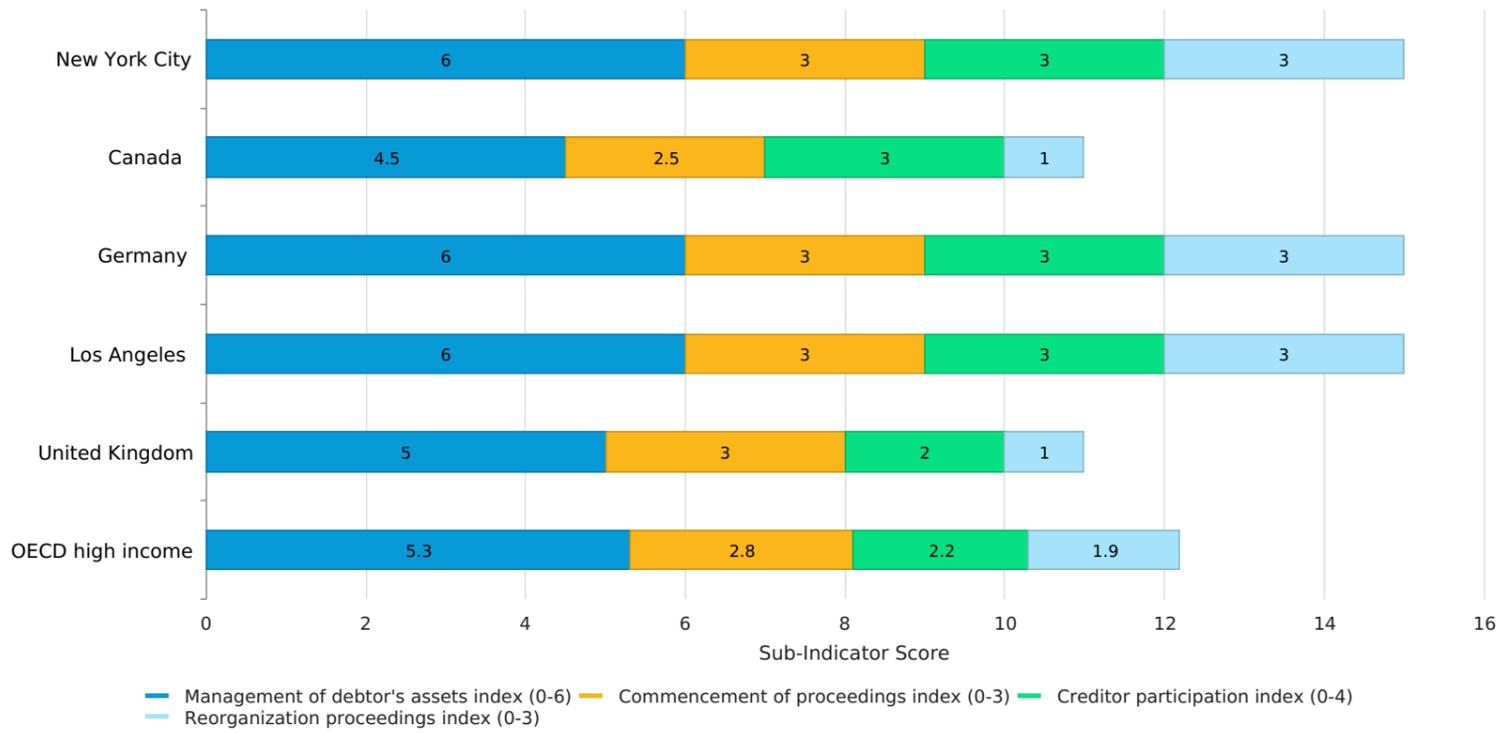
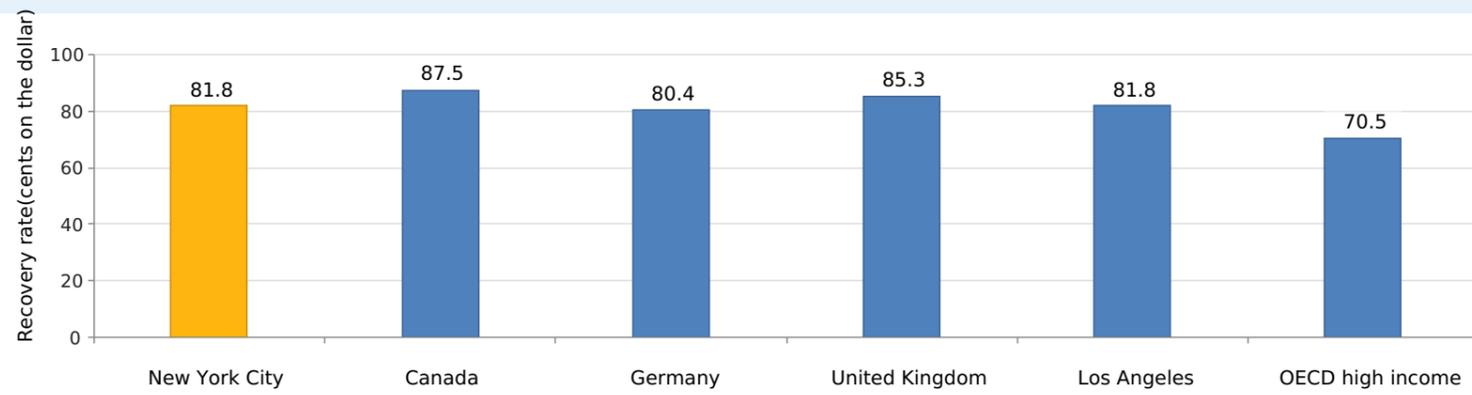


Figure - Resolving Insolvency in New York City and comparator economies - Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure - Resolving Insolvency in New York City and comparator economies - Recovery Rate



Details - Resolving Insolvency in New York City

Indicator	Answer	Score
Proceeding	reorganization	In this case the debtor will likely seek to reorganize its debts and emerge as a going concern. The filing of the bankruptcy petition will stay (i.e., stop) all actions against the debtor to allow the debtor time to seek to formulate a plan of reorganization that will outline the treatment for each class of creditors (e.g, secured, administrative, priority, and general unsecured). It is unlikely in this case that general unsecured creditors will be paid in full on their claims. In fact, if they receive any distribution, it may only be a small percentage of their claims and may not be in the form of a cash distribution, but, rather, a share of stock in the reorganized company. It is similarly unlikely that the secured lender will receive full payment on its outstanding obligations. Critically, the bankruptcy filing will allow the debtor an opportunity to fix its balance sheet and emerge from bankruptcy with less debt. Thus, if the debtor is able to show in its plan of reorganization that creditors would be receiving a better treatment than if the company were liquidated, the reorganization plan will be confirmed.
Outcome	going concern	The hotel is likely to continue operating after reorganization. This being said, the current equity will likely be wiped out and the new management will likely be selected. Even if the hotel is sold, it will likely be sold as a going concern because it will provide greater value than in case of piecemeal sale.
Time (in years)	1.0	A Chapter 11 restructuring takes approximately 12 months. Because of the expense of a bankruptcy proceeding, the debtor will want to spend the least amount of time in bankruptcy as possible, which may be possible given that this is a single asset debtor. If any deals can be reached with creditors, namely the secured creditor, prior to filing, it will shorten the process. The length of a case is often contingent upon how contentious the case becomes. If other constituencies, such as general unsecured creditors, do not expect to receive any, or only a small, return on their debt, they will likely make the process very difficult by objecting to the debtor's plan in an attempt to leverage a greater recovery from the debtor.
Cost (% of estate)	10.0	The reorganization procedure would cost approximately 10% of the value of Mirage's estate. Major expenses will include attorneys' fees (around 9%) and court fees (1%).
Recovery rate (cents on the dollar)		81.8

Details - Resolving Insolvency in New York City - Measure of Quality

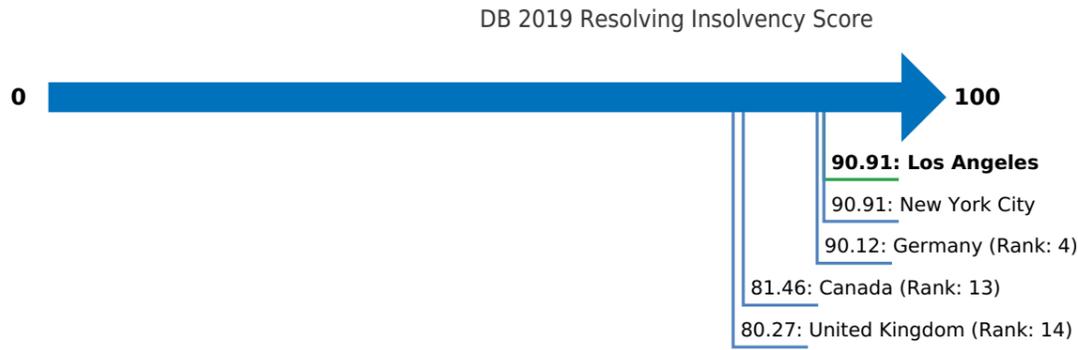
	Answer	Score
Strength of insolvency framework index (0-16)		15.0
Commencement of proceedings index (0-3)		3.0
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(a) Debtor may file for both liquidation and reorganization	1.0
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(a) Yes, a creditor may file for both liquidation and reorganization	1.0
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(a) Debtor is generally unable to pay its debts as they mature	1.0
Management of debtor's assets index (0-6)		6.0
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	Yes	1.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	Yes	1.0
Does the insolvency framework assign priority to post-commencement credit?	(b) Yes over ordinary unsecured creditors but not over secured creditors	1.0
Reorganization proceedings index (0-3)		3.0
Which creditors vote on the proposed reorganization plan?	(b) Only creditors whose rights are affected by the proposed plan	1.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	Yes	1.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	Yes	1.0
Creditor participation index (0-4)		3.0
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	Yes	1.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	Yes	1.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	Yes	1.0

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Resolving Insolvency - Los Angeles

Indicator	Los Angeles	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	81.8	70.5	None in 2017/18
Time (years)	1.0	1.7	0.4 (Ireland)
Cost (% of estate)	10.0	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	1
Strength of insolvency framework index (0-16)	15.0	11.9	None in 2017/18

Figure - Resolving Insolvency in Los Angeles and comparator economies - Ranking and Score

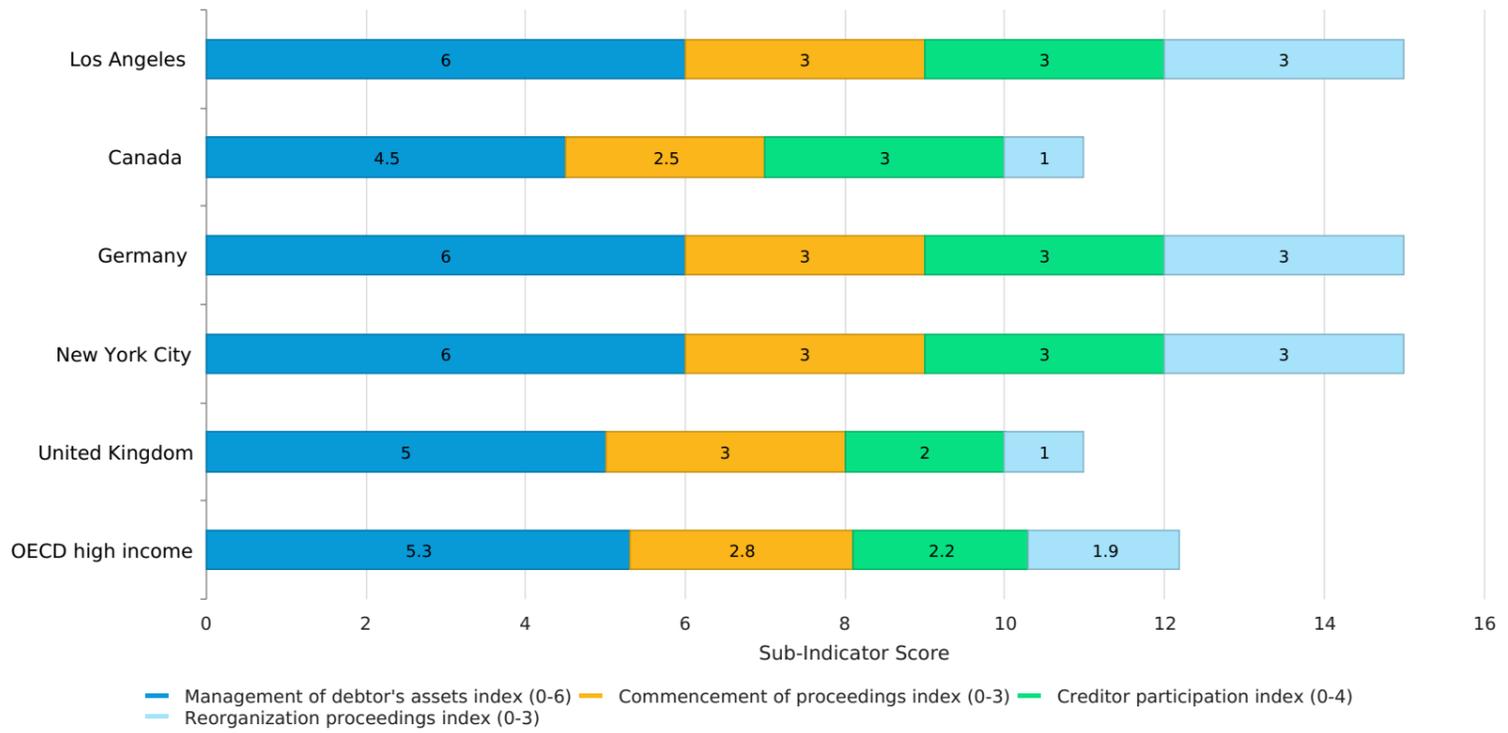


Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure - Resolving Insolvency in Los Angeles - Time and Cost

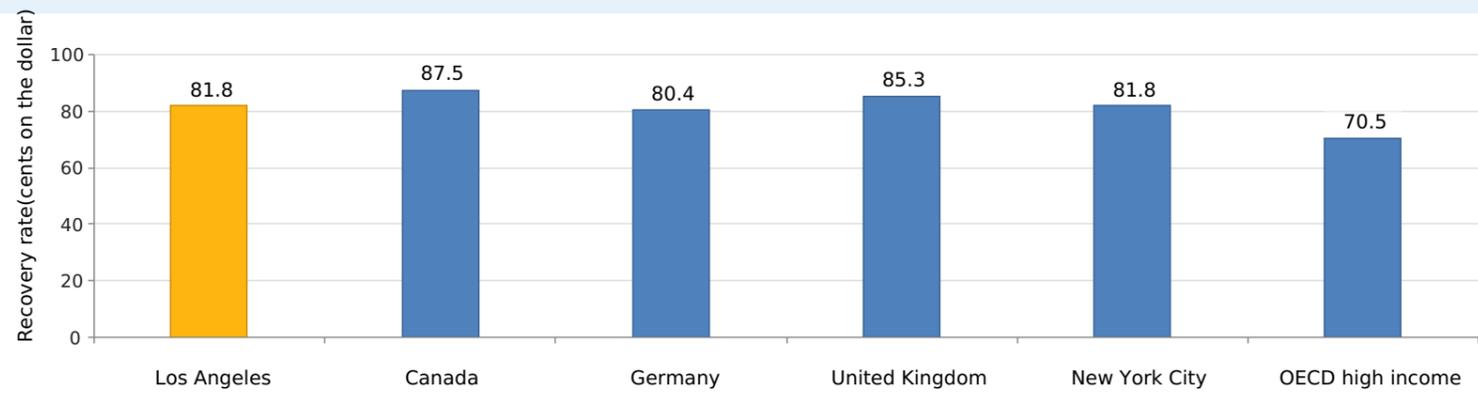


Figure - Resolving Insolvency in Los Angeles and comparator economies - Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure - Resolving Insolvency in Los Angeles and comparator economies - Recovery Rate



Details - Resolving Insolvency in Los Angeles

Indicator	Answer	Score
Proceeding	liquidation (after an attempt at reorganization)	The outcome depends on whether (i) BizBank will work with Mirage to implement a restructuring of its debt; or (ii) the terms governing BizBank's loan are over-market and can be forcibly restructured (called "cram-down") so that the payment amount will be reduced sufficiently to enable Mirage to propose a plan to service its debt. In the latter case, Mirage would need to provide some treatment for and obtain the favorable votes of a sufficient number and amount of unsecured creditors because the United States Bankruptcy Code requires that a single class of impaired creditors vote in favor of the plan where the plan is not fully consensual (creditors are "impaired" where a plan affects their legal rights). A chapter 11 plan also must satisfy the "best interests of creditors" test, meaning that it must pay creditors at least as much as they would receive in a chapter 7 liquidation - under such a liquidation, BizBank would receive around 70% of its debt amount (since its debt is equal to the FMV of the property and the liquidation value is 70% of such value). However, given potential Mirage's cash flow and anticipated future performance, liquidation after reorganization effort seems likely.
Outcome	going concern	Given the 30% drop in value if the property is to be liquidated, BizBank may support a sale as a going concern so it captures as much value as possible on account of its secured debt.
Time (in years)	1.0	Assuming Mirage did not take steps to prepare for a bankruptcy filing until it defaulted, it would take approximately 2-3 weeks to be prepared to file necessary documents. Then Mirage will take advantage of its exclusivity period under the Bankruptcy Code, within which only it may propose a plan (11 U.S.C. sec. 1121(c), (d)). The initial period to propose the plan is 120 days. Given the size of the case and the need for the debtor to work with its lender (BizBank) in order for it to succeed, the reorganization effort would take 6 months. Thereafter, if reorganization is not possible and the property is to be sold and other assets liquidated, the liquidation process might take approximately 6 more months.
Cost (% of estate)	10.0	The entire procedure, taking into account a reorganization attempt that fails and is converted to liquidation, would cost approximately 10% of the value of Mirage's estate. Major expenses will include attorneys' fees - 6%, remuneration of the trustee - 3%, and court fees - 1%.
Recovery rate (cents on the dollar)		81.8

Details - Resolving Insolvency in Los Angeles - Measure of Quality

	Answer	Score
Strength of insolvency framework index (0-16)		15.0
Commencement of proceedings index (0-3)		3.0
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(a) Debtor may file for both liquidation and reorganization	1.0
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(a) Yes, a creditor may file for both liquidation and reorganization	1.0
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(a) Debtor is generally unable to pay its debts as they mature	1.0
Management of debtor's assets index (0-6)		6.0
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	Yes	1.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	Yes	1.0
Does the insolvency framework assign priority to post-commencement credit?	(b) Yes over ordinary unsecured creditors but not over secured creditors	1.0
Reorganization proceedings index (0-3)		3.0
Which creditors vote on the proposed reorganization plan?	(b) Only creditors whose rights are affected by the proposed plan	1.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	Yes	1.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	Yes	1.0
Creditor participation index (0-4)		3.0
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	Yes	1.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	Yes	1.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	Yes	1.0

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Labor Market Regulation

The most recent round of data collection was completed in May 2018.

What the indicators measure	Case study assumptions
<p>Hiring (i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the probationary period; (iv) minimum wage.</p> <p>Working hours (i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) whether nonpregnant and nonnursing women can work same night hours as men; (v) length of paid annual leave.</p> <p>Redundancy rules (i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.</p> <p>Redundancy cost (i) notice period for redundancy dismissal; (ii) severance payments due when terminating a redundant worker.</p> <p>Job quality (i) whether law mandates equal remuneration for work of equal value and nondiscrimination based on gender in hiring; (ii) whether law mandates paid or unpaid maternity leave; (iii) length of paid maternity leave; (iv) whether employees on maternity leave receive 100% of wages; (v) availability of five fully paid days of sick leave a year; (vi) eligibility requirements for unemployment protection.</p>	<p>To make the data comparable across economies, several assumptions about the worker and the business are used.</p> <p>The worker:</p> <ul style="list-style-type: none"> - Is a cashier in a supermarket or grocery store, age 19, with one year of work experience. - Is a full-time employee. - Is not a member of the labor union, unless membership is mandatory. <p>The business:</p> <ul style="list-style-type: none"> - Is a limited liability company (or the equivalent in the economy). - Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Has 60 employees. - Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them. - Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

Labor Market Regulation - New York City

Details - Labor Market Regulation in New York City

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	No
Maximum length of a single fixed-term contract (months)	No limit
Maximum length of fixed-term contracts, including renewals (months)	No limit
Minimum wage applicable to the worker assumed in the case study (US\$/month)	2181.2
Ratio of minimum wage to value added per worker	0.3
Maximum length of probationary period (months)	n.a.
Working hours	
Standard workday	8.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	0.0
Premium for work on weekly rest day (% of hourly pay)	0.0
Premium for overtime work (% of hourly pay)	50.0
Restrictions on night work?	No
Whether nonpregnant and nonnursing women can work the same night hours as men	Yes
Restrictions on weekly holiday?	No
Restrictions on overtime work?	No
Paid annual leave for a worker with 1 year of tenure (working days)	0.0
Paid annual leave for a worker with 5 years of tenure (working days)	0.0
Paid annual leave for a worker with 10 years of tenure (working days)	0.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	0.0
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	No
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	No
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	No
Priority rules for reemployment?	No
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure	0.0
Notice period for redundancy dismissal for a worker with 5 years of tenure	0.0
Notice period for redundancy dismissal for a worker with 10 years of tenure	0.0
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	0.0
Severance pay for redundancy dismissal for a worker with 1 year of tenure	0.0

Severance pay for redundancy dismissal for a worker with 5 years of tenure	0.0
Severance pay for redundancy dismissal for a worker with 10 years of tenure	0.0
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	0.0
Job quality	
Equal remuneration for work of equal value?	No
Gender nondiscrimination in hiring?	Yes
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	56.0
Receive 100% of wages on maternity leave?	No
Five fully paid days of sick leave a year?	Yes
Unemployment protection after one year of employment?	Yes
Minimum contribution period for unemployment protection (months)?	6.0

Labor Market Regulation - Los Angeles

Details - Labor Market Regulation in Los Angeles

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	No
Maximum length of a single fixed-term contract (months)	No limit
Maximum length of fixed-term contracts, including renewals (months)	No limit
Minimum wage applicable to the worker assumed in the case study (US\$/month)	1845.7
Ratio of minimum wage to value added per worker	0.2
Maximum length of probationary period (months)	n.a.
Working hours	
Standard workday	8.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	0.0
Premium for work on weekly rest day (% of hourly pay)	0.0
Premium for overtime work (% of hourly pay)	50.0
Restrictions on night work?	No
Whether nonpregnant and nonnursing women can work the same night hours as men	Yes
Restrictions on weekly holiday?	No
Restrictions on overtime work?	No
Paid annual leave for a worker with 1 year of tenure (working days)	0.0
Paid annual leave for a worker with 5 years of tenure (working days)	0.0
Paid annual leave for a worker with 10 years of tenure (working days)	0.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	0.0
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	No
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	No
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	No
Priority rules for reemployment?	No
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure	0.0
Notice period for redundancy dismissal for a worker with 5 years of tenure	0.0
Notice period for redundancy dismissal for a worker with 10 years of tenure	0.0
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	0.0
Severance pay for redundancy dismissal for a worker with 1 year of tenure	0.0

Severance pay for redundancy dismissal for a worker with 5 years of tenure	0.0
Severance pay for redundancy dismissal for a worker with 10 years of tenure	0.0
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	0.0
Job quality	
Equal remuneration for work of equal value?	No
Gender nondiscrimination in hiring?	Yes
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	42.0
Receive 100% of wages on maternity leave?	No
Five fully paid days of sick leave a year?	Yes
Unemployment protection after one year of employment?	Yes
Minimum contribution period for unemployment protection (months)?	12.0