

# **Bond Case Briefs**

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## **New York to Offer Debt Backed by Record Tax Receipts: Muni Deals.**

New York this week is offering \$1 billion in bonds backed by sales taxes for only the second time since 1995, as collections set a record high.

The issue through the Dormitory Authority of the State of New York, part of a program lawmakers approved last year, includes both tax-exempt and taxable securities. New York expects to collect \$12.1 billion in sales-tax revenue this year, up from last year's all-time high of \$11.8 billion, deal documents show.

"We expect the sale to price extremely well, given the scarcity of New York state sales tax revenue bonds and the strong demand for high-quality bonds," Morris Peters, a spokesman for the budget division in Albany, said by e-mail. "We expect rates to be extremely attractive for the state as benchmark yields are around historical lows."

Standard & Poor's gives the bonds the top rank, citing the state's diverse economy. The company grades New York general obligations a step lower, at AA+.

Proceeds from the sale will finance roadwork and other projects, from the State University of New York Upstate Community College to the State Court Officers Training Academy in Brooklyn, according to deal documents.

The offering follows a \$1 billion sales-tax deal in October 2013, where a tax-exempt 30-year maturity priced to yield 4.52 percent, data compiled by Bloomberg show.

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