

# STATE OF NEW YORK

10200

## IN ASSEMBLY

February 12, 2026

Introduced by M. of A. MEEKS, CLARK -- read once and referred to the  
Committee on Ways and Means

AN ACT to amend the tax law, in relation to the brownfield redevelopment  
tax credit

The People of the State of New York, represented in Senate and Assem-  
bly, do enact as follows:

1 Section 1. Paragraph 2 of subdivision (b) of section 21 of the tax  
2 law, as amended by section 1 of subpart B of part J of chapter 59 of the  
3 laws of 2023, is amended to read as follows:  
4 (2) Site preparation costs. The term "site preparation costs" shall  
5 mean all amounts properly chargeable to a capital account, which are  
6 paid or incurred which are necessary to implement a site's investi-  
7 gation, remediation, or qualification for a certificate of completion,  
8 and shall include costs of: excavation; demolition; activities undertak-  
9 en under the oversight of the department of labor or in accordance with  
10 standards established by the department of health to remediate and  
11 dispose of regulated materials including asbestos, lead or polychlori-  
12 nated biphenyls; environmental consulting; engineering; legal costs;  
13 transportation, disposal, treatment or containment of contaminated soil;  
14 remediation measures taken to address contaminated soil vapor; cover  
15 systems consistent with applicable regulations; physical support of  
16 excavation; dewatering and other work to facilitate or enable remedi-  
17 ation activities; sheeting, shoring, and other engineering controls  
18 required to prevent off-site migration of contamination from the quali-  
19 fied site or migrating onto the qualified site; and the costs of fenc-  
20 ing, temporary electric wiring, scaffolding, and security facilities  
21 until such time as the certificate of completion has been issued. Site  
22 preparation shall include all costs paid or incurred within sixty months  
23 after the last day of the tax year in which the certificate of  
24 completion is issued that are necessary for compliance with the certif-  
25 icate of completion or subsequent modifications thereof, or the remedial  
26 program defined in such certificate of completion including but not  
27 limited to institutional controls, engineering controls, an approved  
28 site management plan, and an environmental easement with respect to the

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 qualified site; provided, however, with respect to any qualified site  
2 for which a certificate of completion was issued on or after July first,  
3 two thousand fifteen but on or before June twenty-fourth, two thousand  
4 twenty-one, site preparation shall include all costs paid or incurred  
5 within eighty-four months after the last day of the tax year in which  
6 the certificate of completion is issued that are necessary for compli-  
7 ance with the certificate of completion or subsequent modifications  
8 thereof, or the remedial program defined in such certificate of  
9 completion including but not limited to institutional controls, engi-  
10 neering controls, an approved site management plan, and an environmental  
11 easement with respect to the qualified site, provided, however, with  
12 respect to any qualified site located in cities with a population great-  
13 er than [~~two hundred five thousand~~] one hundred seventy-five thousand  
14 and less than two hundred fifteen thousand in counties with a population  
15 greater than [~~one million~~] seven hundred thousand but less than one  
16 million ten thousand based on the latest federal decennial census for  
17 which the department of environmental conservation has issued a certif-  
18 icate of completion to the taxpayer on or after January first, two thou-  
19 sand seventeen and before December thirty-first, two thousand seventeen,  
20 this credit component shall be allowed for up to one hundred eighty  
21 months after the date of the issuance of such certificate of completion.  
22 Site preparation cost shall not include the costs of foundation systems  
23 that exceed the cover system requirements in the regulations applicable  
24 to the qualified site.

25 § 2. Subparagraph (i) of paragraph 3 of subdivision (a) of section 21  
26 of the tax law, as amended by section 2 of subpart B of part J of chap-  
27 ter 59 of the laws of 2023, is amended to read as follows:

28 (i) The tangible property credit component shall be equal to the  
29 applicable percentage of the cost or other basis for federal income tax  
30 purposes of tangible personal property and other tangible property,  
31 including buildings and structural components of buildings, which  
32 constitute qualified tangible property and may include any related party  
33 service fee paid; provided that in determining the cost or other basis  
34 of such property, the taxpayer shall exclude the acquisition cost of any  
35 item of property with respect to which a credit under this section was  
36 allowable to another taxpayer; and provided further that for the  
37 purposes of this section, starting with taxable year two thousand twen-  
38 ty-two, on sites that comply with the track one remediation standards  
39 promulgated pursuant to subdivision four of section 27-1415 of the envi-  
40 ronmental conservation law, stadiums, baseball parks, basketball courts  
41 and other athletic facilities shall be considered buildings, and that  
42 components of stadiums, baseball parks, basketball courts, and other  
43 athletic facilities constructed on such sites, including sports field  
44 turf, site lighting, sidewalks, access and entry ways, and other  
45 improvements added to land, shall be considered structural components of  
46 buildings under the internal revenue code, and shall be included in the  
47 definition of tangible property for the purposes of this section. A  
48 related party service fee shall be allowed only in the calculation of  
49 the tangible property credit component and shall not be allowed in the  
50 calculation of the site preparation credit component or the on-site  
51 groundwater remediation credit component. The portion of the tangible  
52 property credit component which is attributable to related party service  
53 fees shall be allowed only as follows: (A) in the taxable year in which  
54 the qualified tangible property described in subparagraph (iii) of this  
55 paragraph is placed in service, for that portion of the related party  
56 service fees which have been earned and actually paid to the related

1 party on or before the last day of such taxable year; and (B) with  
2 respect to any other taxable year for which the tangible property credit  
3 component may be claimed under this subparagraph and in which the amount  
4 of any additional related party service fees are actually paid by the  
5 taxpayer to the related party, the tangible property credit component  
6 for such amount shall be allowed in such taxable year. The credit compo-  
7 nent amount so determined shall be allowed for the taxable year in which  
8 such qualified tangible property is first placed in service on a quali-  
9 fied site with respect to which a certificate of completion has been  
10 issued to the taxpayer, or for the taxable year in which the certificate  
11 of completion is issued if the qualified tangible property is placed in  
12 service prior to the issuance of the certificate of completion. This  
13 credit component shall only be allowed for up to one hundred twenty  
14 months after the date of the issuance of such certificate of completion,  
15 provided, however, that for qualified sites to which a certificate of  
16 completion is issued on or after March twentieth, two thousand ten, but  
17 prior to January first, two thousand twelve, the commissioner may extend  
18 the credit component for up to one hundred forty-four months after the  
19 date of such issuance, if the commissioner, in consultation with the  
20 commissioner of environmental conservation, determines that the require-  
21 ments for the credit would have been met if not for the restrictions  
22 related to the state disaster emergency declared pursuant to executive  
23 order 202 of 2020 or any extension thereof or subsequent executive order  
24 issued in response to the novel coronavirus (COVID-19) pandemic;  
25 provided, however, with respect to any qualified site for which the  
26 department of environmental conservation has issued a certificate of  
27 completion to the taxpayer on or after March twentieth, two thousand ten  
28 and before December thirty-first, two thousand fifteen, this credit  
29 component shall be allowed for up to one hundred eighty months after the  
30 date of the issuance of such certificate of completion; and provided  
31 further, with respect to any qualified site located in cities with a  
32 population greater than [~~two hundred five thousand~~] one hundred seven-  
33 ty-five thousand and less than two hundred fifteen thousand in counties  
34 with a population greater than [~~one million~~] seven hundred thousand but  
35 less than one million ten thousand based on the latest federal decennial  
36 census for which the department of environmental conservation has issued  
37 a certificate of completion to the taxpayer on or after January first,  
38 two thousand seventeen and before December thirty-first, two thousand  
39 seventeen, this credit component shall be allowed for up to one hundred  
40 eighty months after the date of the issuance of such certificate of  
41 completion.

42 § 3. Paragraph 2 of subdivision (a) of section 21 of the tax law, as  
43 amended by section 3 of subpart B of part J of chapter 59 of the laws of  
44 2023, is amended to read as follows:

45 (2) Site preparation credit component. The site preparation credit  
46 component shall be equal to the applicable percentage of the site prepa-  
47 ration costs paid or incurred by the taxpayer with respect to a quali-  
48 fied site. The credit component amount so determined with respect to a  
49 site's qualification for a certificate of completion shall be allowed  
50 for the taxable year in which the effective date of the certificate of  
51 completion occurs. The credit component amount determined other than  
52 with respect to such qualification shall be allowed for the taxable year  
53 in which the improvement to which the applicable costs apply is placed  
54 in service for up to five taxable years after the issuance of such  
55 certificate of completion; provided, however, that for any qualified  
56 site to which a certificate of completion is issued on or after July

1 first, two thousand fifteen but on or before June twenty-fourth, two  
2 thousand twenty-one, the site preparation credit component for such  
3 costs shall be allowed for up to seven taxable years after the issuance  
4 of such certificate of completion; and provided further, however, that  
5 for any qualified site located in cities with a population greater than  
6 [~~two hundred five thousand~~] one hundred seventy-five thousand and less  
7 than two hundred fifteen thousand in counties with a population greater  
8 than [~~one million~~] seven hundred thousand but less than one million ten  
9 thousand based on the latest federal decennial census for which the  
10 department of environmental conservation has issued a certificate of  
11 completion to the taxpayer on or after January first, two thousand  
12 seventeen and before December thirty-first, two thousand seventeen, the  
13 site preparation credit component for such costs shall be allowed for up  
14 to fifteen taxable years after the issuance of such certificate of  
15 completion.

16 § 4. This act shall take effect immediately.