

STATE OF NEW YORK

1385

2025-2026 Regular Sessions

IN SENATE

January 9, 2025

Introduced by Sen. CANZONERI-FITZPATRICK -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to the solar energy system equipment credit; to amend the real property tax law, in relation to a solar STAR credit; and to amend the public service law, in relation to siting major renewable energy facilities

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

1 Section 1. Subsection (g-1) of section 606 of the tax law, as amended
2 by chapter 378 of the laws of 2005, paragraphs 1 and 2 as amended by
3 chapter 375 of the laws of 2012, paragraph 3 as amended, paragraph 5 as
4 added, and paragraphs 6, 7 and 8 as renumbered by chapter 128 of the
5 laws of 2007, is amended to read as follows:

6 (g-1) Solar energy system equipment credit. (1) General. An individual
7 taxpayer shall be allowed a credit against the tax imposed by this arti-
8 cle equal to ~~[twenty-five]~~ forty percent of qualified solar energy
9 system equipment expenditures, except as provided in subparagraph (D) of
10 paragraph two of this subsection. This credit shall not exceed three
11 thousand seven hundred fifty dollars for qualified solar energy equip-
12 ment placed in service before September first, two thousand six, ~~[and]~~
13 five thousand dollars for qualified solar energy equipment placed in
14 service on or after September first, two thousand six and before January
15 first, two thousand twenty-six, and ten thousand dollars for qualified
16 solar energy equipment placed in service on or after January first, two
17 thousand twenty-six.

18 (2) Qualified solar energy system equipment expenditures. (A) The term
19 "qualified solar energy system equipment expenditures" means expendi-
20 tures for:

21 (i) the purchase of solar energy system equipment which is installed
22 in connection with residential property which is (I) located in this

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

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1 state and (II) which is used by the taxpayer as [~~his or her~~] their prin-
2 cipal residence at the time the solar energy system equipment is placed
3 in service;

4 (ii) the lease of solar energy system equipment under a written agree-
5 ment that spans at least ten years where such equipment owned by a
6 person other than the taxpayer is installed in connection with residen-
7 tial property which is (I) located in this state and (II) which is used
8 by the taxpayer as [~~his or her~~] their principal residence at the time
9 the solar energy system equipment is placed in service; or

10 (iii) the purchase of power under a written agreement that spans at
11 least ten years whereunder the power purchased is generated by solar
12 energy system equipment owned by a person other than the taxpayer which
13 is installed in connection with residential property which is (I)
14 located in this state and (II) which is used by the taxpayer as [~~his or~~
15 ~~her~~] their principal residence at the time the solar energy system
16 equipment is placed in service.

17 (B) Such qualified expenditures shall include expenditures for materi-
18 als, labor costs properly allocable to on-site preparation, assembly and
19 original installation, architectural and engineering services, and
20 designs and plans directly related to the construction or installation
21 of the solar energy system equipment.

22 (C) Such qualified expenditures for the purchase of solar energy
23 system equipment shall not include interest or other finance charges.

24 (D) Such qualified expenditures for the lease of solar energy system
25 equipment or the purchase of power under an agreement described in
26 clauses (ii) or (iii) of subparagraph (A) of this paragraph shall
27 include an amount equal to all payments made during the taxable year
28 under such agreement. Provided, however, such credits shall only be
29 allowed for fourteen years after the first taxable year in which such
30 credit is allowed. Provided further, however, the [~~twenty-five~~] forty
31 percent limitation in paragraph one of this subsection shall only apply
32 to the total aggregate amount of all payments to be made pursuant to an
33 agreement referenced in clauses (ii) or (iii) of subparagraph (A) of
34 this paragraph, and shall not apply to individual payments made during a
35 taxable year under such agreement except to the extent such limitation
36 on an aggregate basis has been reached.

37 (3) Solar energy system equipment. The term "solar energy system
38 equipment" shall mean an arrangement or combination of components
39 utilizing solar radiation, which, when installed in a residence, produc-
40 es and may store energy designed to provide heating, cooling, hot water
41 or electricity for use in such residence. Such arrangement or components
42 may include electric energy storage equipment but shall not include any
43 other equipment connected to solar energy system equipment that is a
44 component of part or parts of a non-solar energy system or which uses
45 any sort of recreational facility or equipment as a storage medium.
46 Solar energy system equipment that generates and stores electricity for
47 use in a residence must conform to applicable requirements set forth in
48 section sixty-six-j of the public service law. Provided, however, where
49 solar energy system equipment is purchased and installed by a condomin-
50 ium management association or a cooperative housing corporation, for
51 purposes of this subsection only, the term "ten kilowatts" in such
52 section sixty-six-j shall be read as "[~~fifty~~] ten" kilowatts multiplied
53 by the number of owner-occupied units in the cooperative or condominium
54 management association.

55 (4) Multiple taxpayers. Where solar energy system equipment is
56 purchased and installed in a principal residence shared by two or more

1 taxpayers, the amount of the credit allowable under this subsection for
2 each such taxpayer shall be prorated according to the percentage of the
3 total expenditure for such solar energy system equipment contributed by
4 each taxpayer.

5 (5) Proportionate share. Where solar energy system equipment is
6 purchased and installed by a condominium management association or a
7 cooperative housing corporation, a taxpayer who is a member of the
8 condominium management association or who is a tenant-stockholder in the
9 cooperative housing corporation may for the purpose of this subsection
10 claim a proportionate share of the total expense as the expenditure for
11 the purposes of the credit attributable to ~~his~~ their principal resi-
12 dence.

13 (6) Grants. For purposes of determining the amount of the expenditure
14 incurred in purchasing and installing solar energy system equipment, the
15 amount of any federal, state or local grant received by the taxpayer,
16 which was used for the purchase and/or installation of such equipment
17 and which was not included in the federal gross income of the taxpayer,
18 shall not be included in the amount of such expenditures.

19 (7) When credit allowed. The credit provided for herein shall be
20 allowed with respect to the taxable year, commencing after nineteen
21 hundred ninety-seven, in which the solar energy system equipment is
22 placed in service.

23 (8) Carryover of credit and refundability. If the amount of the cred-
24 it, and carryovers of such credit, allowable under this subsection for
25 any taxable year shall exceed the taxpayer's tax for such year, such
26 excess amount may be carried over to the five taxable years next follow-
27 ing the taxable year with respect to which the credit is allowed and may
28 be deducted from the taxpayer's tax for such year or years. For taxable
29 years beginning on or after January first, two thousand twenty-six, if
30 the amount of the credit allowable under this subsection shall exceed
31 the taxpayer's tax liability for such year, the excess shall be treated
32 as an overpayment of tax to be credited or refunded in accordance with
33 the provisions of section six hundred eighty-six of this article,
34 provided, however, that no interest shall be paid thereon.

35 § 2. The real property tax law is amended by adding a new section
36 425-b to read as follows:

37 § 425-b. Solar STAR credit. 1. For the purposes of this section, a
38 mid-scale solar energy project shall mean a solar powered project with at
39 least one megawatt but no more than five megawatts of alternating name-
40 plate capacity.

41 2. Homeowners in municipalities that agree to host at least two mids-
42 cale solar energy projects, not including any project that has already
43 begun substantial construction, shall be eligible for a solar STAR cred-
44 it for all homeowners living in such municipality. Homeowners shall
45 apply for and receive a solar STAR credit in the same manner and at the
46 same time as the existing STAR credit under section four hundred twen-
47 ty-five of this article and section six hundred six of the tax law. The
48 value of the credit shall be equal to twenty-five percent of the total
49 basic star credit available to qualified homeowners. This credit will be
50 applied only after the conclusion of construction and interconnection of
51 the second mid-scale solar project as defined. Such credit will be avail-
52 able to eligible homeowners for a period of ten years.

53 § 3. Subdivision 1 of section 140 of the public service law, as added
54 by section 11 of part 0 of chapter 58 of the laws of 2024, is amended to
55 read as follows:

1 1. No person shall commence the preparation of a site for, or begin
2 the construction of, a major renewable energy facility in the state, or
3 increase the capacity of an existing major renewable energy facility,
4 without having first obtained a major renewable energy facility siting
5 permit pursuant to this article and any permit required by a municipi-
6 pality in which the major renewable energy facility will be located. Any
7 major renewable energy facility subject to this article with respect to
8 which a siting permit is issued shall not thereafter be built, main-
9 tained, or operated except in conformity with such major renewable ener-
10 gy facility siting permit and any terms, limitations, or conditions
11 contained therein, provided that nothing in this subdivision shall
12 exempt such facility from compliance with federal laws and regulations.

13 § 4. Subdivision 1 of section 141 of the public service law, as added
14 by section 11 of part 0 of chapter 58 of the laws of 2024, is amended to
15 read as follows:

16 1. Except as provided in paragraph (b) of subdivision five of this
17 section, no person shall commence the preparation of a site for, or
18 begin the construction of, a major electric transmission facility in the
19 state without having first obtained a siting permit pursuant to this
20 article and any permit required by a municipality in which the major
21 electric transmission facility will be located. Any major electric tran-
22 smission facility subject to this article with respect to which a siting
23 permit is issued shall not thereafter be built, maintained, or operated
24 except in conformity with such siting [permit] permits and any terms,
25 limitations, or conditions contained therein, provided that nothing in
26 this subdivision shall exempt such facility from compliance with federal
27 laws and regulations.

28 § 5. Subdivision 5 of section 142 of the public service law, as added
29 by section 11 of part 0 of chapter 58 of the laws of 2024, is amended to
30 read as follows:

31 5. Following the expiration of the public comment period set forth in
32 this section, and following the conclusion of a hearing undertaken
33 pursuant to subdivision four of this section, ORES shall, in the case of
34 a public comment period, issue a written summary of public comments and
35 an assessment of comments received, and in the case of an adjudicatory
36 hearing, the executive director or any person to whom the executive
37 director has delegated such authority shall issue a final written hear-
38 ing report. A final siting permit may only be issued if ORES makes a
39 finding that the proposed project, together with any applicable uniform
40 and site-specific standards and conditions, would comply with applicable
41 laws and regulations. [~~In making a final siting permit determination~~
42 ~~with respect to a major renewable energy facility, ORES may elect not to~~
43 ~~apply, in whole or in part, any local law or ordinance that would other-~~
44 ~~wise be applicable if it makes a finding that, as applied to the~~
45 ~~proposed facility, it is unreasonably burdensome in view of the CLCPA~~
46 ~~targets, and the environmental benefits.~~]

47 §6. Subdivision 2 of section 144 of the public service law, as added
48 by section 11 of part 0 of chapter 58 of the laws of 2024, is amended to
49 read as follows:

50 2. Notwithstanding any other provision of law, [~~including without~~
51 ~~limitation article eight of the environmental conservation law and arti-~~
52 ~~cle VII of this chapter, no other state agency, department or authority,~~
53 ~~or] any municipality [~~or political subdivision or any agency thereof~~
54 ~~may, except as expressly authorized under this article or the rules and~~
55 ~~regulations promulgated under this article,~~] may require any approval,
56 consent, permit, certificate, contract, agreement, or other condition~~

1 for the development, design, construction, operation, or decommissioning
2 of a major renewable energy facility or a major electric transmission
3 facility with respect to which an application for a siting permit has
4 been filed[~~, provided in the case of a municipality, political subdivi-~~
5 ~~sion or an agency thereof, such entity has received notice of the filing~~
6 ~~of the application therefor. Notwithstanding the foregoing, the depart-~~
7 ~~ment of environmental conservation shall be the permitting agency for~~
8 ~~permits issued pursuant to federally delegated or federally approved~~
9 ~~programs]~~.

10 § 7. Subdivisions 2 and 3 of section 146 of the public service law, as
11 added by section 11 of part 0 of chapter 58 of the laws of 2024, are
12 amended to read as follows:

13 2. A judicial proceeding shall be brought in the third department of
14 the appellate division of the supreme court of the state of New York.
15 Such proceeding shall be initiated by the filing of a petition in such
16 court within ninety days after the issuance of a final decision by ORES,
17 or a permitting authority of a municipality, political subdivision or
18 agency thereof, together with proof of service of a demand on ORES or a
19 permitting authority, to file with said court a copy of a written tran-
20 script of the record of the proceeding and a copy of ORES's, or a
21 permitting authority's, decision and opinion. ORES's, or a permitting
22 authority's, copy of said transcript, decision and opinion, shall be
23 available at all reasonable times to all parties for examination without
24 cost. Upon receipt of such petition and demand ORES, or a permitting
25 authority, shall forthwith deliver to the court a copy of the record and
26 a copy of ORES's, or a permitting authority's, decision and opinion.
27 Thereupon, the court shall have jurisdiction of the proceeding and shall
28 have the power to grant such relief as it deems just and proper, and to
29 make and enter an order enforcing, modifying and enforcing as so modi-
30 fied, remanding for further specific evidence or findings or setting
31 aside in whole or in part such decision. The appeal shall be heard on
32 the record, without requirement of reproduction, and upon briefs to the
33 court. The findings of fact on which such decision is based shall be
34 conclusive if supported by substantial evidence on the record considered
35 as a whole and matters of judicial notice set forth in the opinion. The
36 jurisdiction of the appellate division of the supreme court shall be
37 exclusive and its judgment and order shall be final, subject to review
38 by the court of appeals in the same manner and form and with the same
39 effect as provided for appeals in a special proceeding. All such
40 proceedings shall be heard and determined by the appellate division of
41 the supreme court and by the court of appeals as expeditiously as possi-
42 ble and with lawful precedence over all other matters.

43 3. The grounds for and scope of review of the court shall be limited
44 to whether the decision and opinion of ORES, or a permitting authority,
45 are:

46 (a) In conformity with the constitution, laws and regulations of the
47 state and the United States;

48 (b) Supported by substantial evidence in the record and matters of
49 judicial notice properly considered and applied in the opinion;

50 (c) Within the statutory jurisdiction or authority of ORES, or a
51 permitting authority, and the department;

52 (d) Made in accordance with procedures set forth in this section or
53 established by rule or regulation pursuant to this article;

54 (e) Arbitrary, capricious or an abuse of discretion; or

1 (f) Made pursuant to a process that afforded meaningful involvement of
2 citizens affected by the facility or project regardless of age, race,
3 color, national origin and income.
4 § 8. This act shall take effect immediately; provided, however that
5 the amendments to article 8 of the public service law made by sections
6 three, four, five, six and seven of this act shall be subject to the
7 expiration and repeal of such article and shall expire and be deemed
8 repealed therewith.