STATE OF NEW YORK

4057--A

2025-2026 Regular Sessions

IN SENATE

January 31, 2025

Introduced by Sen. FAHY -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law and the parks, recreation and historic preservation law, in relation to extending the historic homeownership rehabilitation tax credit and requiring additional reporting

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

Section 1. Paragraphs 2 and 3 of subsection (pp) of section 606 of the tax law, paragraph 2 as amended by section 4 of part RR of chapter 59 of the laws of 2018 and paragraph 3 as added by chapter 547 of the laws of 2006, are amended and a new paragraph 13 is added to read as follows:

(2) (A) With respect to any particular residence of a taxpayer, the credit allowed under paragraph one of this subsection shall not exceed fifty thousand dollars for taxable years beginning on or after January first, two thousand ten [~~and before January first, two thousand twenty-five and twenty-five thousand dollars for taxable years beginning on or after January first, two thousand twenty-five~~]. In the case of a [~~husband and wife~~] married couple, the amount of the credit shall be divided between them equally or in such other manner as they may both elect. If a taxpayer incurs qualified rehabilitation expenditures in relation to more than one residence in the same year, the total amount of credit allowed under paragraph one of this subsection for all such expenditures shall not exceed fifty thousand dollars for taxable years beginning on or after January first, two thousand ten [~~and before January first, two thousand twenty-five and twenty-five thousand dollars for taxable years beginning on or after January first, two thousand twenty-five~~].

(B) For taxable years beginning on or after January first, two thousand ten [~~and before January first, two thousand twenty-five~~], if the

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

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amount of credit allowable under this subsection shall exceed the taxpayer's tax for such year, and the taxpayer's New York adjusted gross income for such year does not exceed sixty thousand dollars, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon. If the taxpayer's New York adjusted gross income for such year exceeds sixty thousand dollars, the excess credit [~~that~~] may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years. [~~For taxable years beginning on or after January first, two thousand twenty-five, if the amount of credit allowable under this subsection shall exceed the taxpayer's tax for such year, the excess may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years.~~]

(3)(A) The term "qualified rehabilitation expenditure" means, for purposes of this subsection, any amount properly chargeable to a capital account:

(i) in connection with the certified rehabilitation of a qualified historic home, and

(ii) for property for which depreciation would be allowable under section 168 of the internal revenue code if the qualified historic home were used in a trade or business.

(B) Such term shall not include (i) the cost of acquiring any building or interest therein, (ii) any expenditure attributable to the enlargement of an existing building, or (iii) any expenditure made prior to January first, two thousand seven.

(C) [~~Such term shall not include any expenditure in connection with the rehabilitation of a qualified historic home unless at least five percent of the total expenditures made in the rehabilitation process are allocable to the rehabilitation of the exterior of such building.~~

~~(D)~~] If only a portion of a building is used as a residence of the taxpayer, only qualified rehabilitation expenditures which are properly allocable to such residential portion shall be taken into account under this subsection.

(13) The commissioner shall report annually on or before the first day of November, on the aggregate amount of credits claimed and awarded pursuant to this subsection on returns filed during the preceding calendar year. Such report shall be provided to the governor, temporary president of the senate, speaker of the assembly, chair of the senate finance committee and chair of the assembly ways and means committee, shall be made publicly available on the department's website.

§ 2. Section 14.05 of the parks, recreation and historic preservation law is amended by adding a new subdivision 5 to read as follows:

5. The commissioner shall report annually on or before the first day of November, on the tax credit projects applied for pursuant to subsection (pp) of section six hundred six of the tax law on returns filed during the preceding calendar year. Such report shall be provided to the governor, temporary president of the senate, speaker of the assembly, chair of the senate finance committee and chair of the assembly ways and means committee, shall be made publicly available on the office's website and shall include the following information:

(a) the number and value of tax credit projects applied for during the state fiscal year, organized by municipality and county, and project size;

(b) the number and value of tax credit projects certified by the office during the state fiscal year, organized by municipality and county, and project size;

(c) the total value of credits certified annually for each of the taxable years beginning on or after January first, two thousand seven to the present, by municipality and county;

(d) the number of housing units before and after rehabilitation; and

(e) the number of projects certified for state credits by the office.

§ 3. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2025.