STATE OF NEW YORK

4438

2025-2026 Regular Sessions

IN SENATE

February 5, 2025

Introduced by Sen. ASHBY -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to establishing a hydroelectric power tax credit

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

Section 1. The tax law is amended by adding a new section 50 to read as follows:

§ 50. Hydroelectric power credit. (a) Allowance of credit. A taxpayer subject to tax under article nine, nine-a, twenty-two or thirty-three of this chapter shall be allowed a hydroelectric power credit against such tax, for fifty percent of the cost of any licensing or relicensing fees assessed by any state or federal agency.

(b) Cross-references. For application of the credit provided for in this section, see the following provisions of this chapter:

(1) article 9: section 187-s;

(2) article 9-A: section 210-B, subdivision 61;

(3) article 22: section 606, subsections (i) and (bbb);

(4) article 33: section 1511, subdivision (ff).

§ 2. The tax law is amended by adding a new section 187-s to read as follows:

§ 187-s. Hydroelectric power credit. 1. Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section fifty of this chapter, against the taxes imposed by sections one hundred eighty-three, one hundred eighty-four and former section one hundred eighty-six of this article. Provided, however, that the amount of such credit allowable against the tax imposed by section one hundred eighty-four of this article shall be the excess of the amount of such credit over the amount of any credit allowed by this section against the tax imposed by section one hundred eighty-three of this article.

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

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2. Carryover. In no event shall the credit under this section be allowed in an amount which will reduce the tax payable to less than the applicable minimum tax fixed by section one hundred eighty-three or former section one hundred eighty-six of this article. If, however, the amount of credit allowable under this section for any taxable year reduces the tax to such amount, any amount of credit not deductible in such taxable year 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. Section 210-B of the tax law is amended by adding a new subdivision 61 to read as follows:

61. Hydroelectric power credit. (a) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section fifty of this chapter, against the tax imposed by this article.

(b) Carryover. The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of credit allowable under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit not deductible in such taxable year may be carried over to the following year or years, and may be deducted from the qualified employer's tax for such years.

§ 4. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (lii) to read as follows:

(lii) Hydroelectric power credit under subsection (bbb)	Amount of credit under subdivision sixty-one of section two hundred ten-B, or subdivision (ff) of section fifteen hundred eleven

§ 5. Section 606 of the tax law is amended by adding a new subsection (bbb) to read as follows:

(bbb) Hydroelectric power credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section fifty of this chapter, against the tax imposed by this article.

(2) Carryover. The credit allowed under this subsection for any taxable year shall not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this chapter. However, if the amount of credit allowable under this subsection for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit not deductible in such taxable year may be carried over to the following year or years, and may be deducted from the taxpayer's tax for such years.

§ 6. Section 1511 of the tax law is amended by adding a new subdivision (ff) to read as follows:

(ff) Hydroelectric power credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section fifty of this chapter, against the tax imposed by this article.

(2) Carryover. The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the minimum fixed by paragraph four of subdivision (a) of section fifteen hundred two of this article or by section fifteen hundred two-a of this article, whichever is applicable. However, if the amount of the credit

allowed under this subdivision for any taxable year reduces the taxpayer's tax to such amount, any amount of credit thus not deductible shall be treated as an overpayment of tax to be credited in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

§ 7. This act shall take effect immediately.