

1437

2011-2012 Regular Sessions

I N S E N A T E

January 7, 2011

Introduced by Sen. MONTGOMERY -- 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 tax credits provided for
solar energy system equipment

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Paragraph 2 of subsection (g-1) of section 606 of the tax
2 law, as amended by chapter 378 of the laws of 2005 and subparagraph (B)
3 as amended by chapter 251 of the laws of 2006, is amended to read as
4 follows:
5 (2) Qualified solar energy system equipment expenditures. (A) The term
6 "qualified solar energy system equipment expenditures" means expendi-
7 tures for:
8 (I) the purchase of solar energy system equipment which is installed
9 in connection with residential property which is [(i)] (I) located in
10 this state and [(ii)] (II) which is used by the taxpayer as his or her
11 principal residence at the time the solar energy system equipment is
12 placed in service;
13 (II) THE LEASE OF SOLAR ENERGY SYSTEM EQUIPMENT UNDER A WRITTEN AGREE-
14 MENT THAT SPANS AT LEAST TEN YEARS WHERE SUCH EQUIPMENT OWNED BY A
15 PERSON OTHER THAN THE TAXPAYER IS INSTALLED IN CONNECTION WITH RESIDEN-
16 TIAL PROPERTY WHICH IS (I) LOCATED IN THIS STATE AND (II) WHICH IS USED
17 BY THE TAXPAYER AS HIS OR HER PRINCIPAL RESIDENCE AT THE TIME THE SOLAR
18 ENERGY SYSTEM EQUIPMENT IS PLACED IN SERVICE; OR
19 (III) THE PURCHASE OF POWER UNDER A WRITTEN AGREEMENT THAT SPANS AT
20 LEAST TEN YEARS WHEREUNDER THE POWER PURCHASED IS GENERATED BY SOLAR
21 ENERGY SYSTEM EQUIPMENT OWNED BY A PERSON OTHER THAN THE TAXPAYER WHICH
22 IS INSTALLED IN CONNECTION WITH RESIDENTIAL PROPERTY WHICH IS (I)
23 LOCATED IN THIS STATE AND (II) WHICH IS USED BY THE TAXPAYER AS HIS OR

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

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1 HER PRINCIPAL RESIDENCE AT THE TIME THE SOLAR ENERGY SYSTEM EQUIPMENT IS
2 PLACED IN SERVICE.

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

8 (C) Such qualified expenditures FOR THE PURCHASE OF SOLAR ENERGY
9 SYSTEM EQUIPMENT shall not include interest or other finance charges.

10 (D) SUCH QUALIFIED EXPENDITURES FOR THE LEASE OF SOLAR ENERGY SYSTEM
11 EQUIPMENT OR THE PURCHASE OF POWER UNDER AN AGREEMENT DESCRIBED IN
12 CLAUSES (II) OR (III) OF SUBPARAGRAPH (A) OF THIS PARAGRAPH SHALL
13 INCLUDE AN AMOUNT EQUAL TO ALL PAYMENTS TO BE MADE UNDER SUCH AGREEMENT
14 FOR THE INITIAL TERM OF SUCH AGREEMENT, INCLUDING ANY AMOUNTS PAID
15 UPFRONT.

16 (E) THE TERM "PERSON", AS USED IN THIS SECTION, SHALL HAVE THE SAME
17 MEANING AS PROVIDED IN INTERNAL REVENUE CODE S 7701 (C)(1).

18 S 2. This act shall take effect immediately and shall be deemed to
19 have been in full force and effect on and after January 1, 2011.