

S T A T E O F N E W Y O R K

3238--A

2011-2012 Regular Sessions

I N S E N A T E

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Introduced by Sens. MAZIARZ, GRISANTI, DUANE, JOHNSON, O'MARA, RANZEN-
HOFER, SEWARD, YOUNG -- read twice and ordered printed, and when
printed to be committed to the Committee on Investigations and Govern-
ment Operations -- recommitted to the Committee on Investigations and
Government Operations in accordance with Senate Rule 6, sec. 8 --
committee discharged, bill amended, ordered reprinted as amended and
recommitted to said committee

AN ACT to amend the tax law, in relation to the personal income tax
credit for solar and wind energy systems

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

1 Section 1. Paragraph 1 of subsection (g-1) of section 606 of the tax
2 law, as amended by chapter 378 of the laws of 2005, is amended to read
3 as follows:
4 (1) General. An individual taxpayer shall be allowed a credit against
5 the tax imposed by this article equal to twenty-five percent of quali-
6 fied solar energy system equipment expenditures. This credit shall not
7 exceed (A) three thousand seven hundred fifty dollars for qualified
8 solar energy equipment placed in service before September first, two
9 thousand six, and (B) five thousand dollars for qualified solar energy
10 equipment placed in service on or after September first, two thousand
11 six BUT PRIOR TO JANUARY FIRST, TWO THOUSAND THIRTEEN, AND (C) FIVE
12 THOUSAND DOLLARS FOR QUALIFIED SOLAR ENERGY EQUIPMENT THAT IS A SOLAR
13 THERMAL ENERGY SYSTEM PLACED IN SERVICE ON OR AFTER JANUARY FIRST, TWO
14 THOUSAND THIRTEEN, AND (D) FIVE THOUSAND DOLLARS FOR QUALIFIED SOLAR
15 ENERGY EQUIPMENT THAT IS A SOLAR ELECTRIC ENERGY SYSTEM PLACED IN
16 SERVICE ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN.
17 S 2. Subparagraph (A) of paragraph 2 of subsection (g-1) of section
18 606 of the tax law, as amended by chapter 378 of the laws of 2005, is
19 amended to read as follows:

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

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1 (A) The term "qualified solar energy system equipment expenditures"
2 means expenditures for the purchase of solar energy system equipment, A
3 SOLAR THERMAL ENERGY SYSTEM, OR A SOLAR ELECTRIC ENERGY SYSTEM which is
4 installed in connection with residential property which is (i) located
5 in this state and (ii) which is used by the taxpayer as ANY OF his or
6 her [principal residence] RESIDENCES at the time the solar energy system
7 equipment, A SOLAR THERMAL ENERGY SYSTEM, OR A SOLAR ELECTRIC ENERGY
8 SYSTEM is placed in service.

9 S 3. Paragraph 3 of subsection (g-1) of section 606 of the tax law, as
10 amended by chapter 128 of the laws of 2007, is amended to read as
11 follows:

12 (3) Solar energy system equipment. (A) The term "solar energy system
13 equipment" shall mean an arrangement or combination of components
14 utilizing solar radiation, which, when installed in a residence, produc-
15 es energy designed to provide heating, cooling, hot water or electricity
16 for use in such residence. Such arrangement or components shall not
17 include equipment connected to solar energy system equipment that is a
18 component of part or parts of a non-solar energy system or which uses
19 any sort of recreational facility or equipment as a storage medium.
20 [Solar energy system equipment that generates electricity for use in a
21 residence]

22 (B) THE TERM "SOLAR THERMAL ENERGY SYSTEM" SHALL MEAN SOLAR ENERGY
23 EQUIPMENT THAT IS AN ARRANGEMENT OR COMBINATION OF COMPONENTS UTILIZING
24 SOLAR RADIATION, WHICH, WHEN INSTALLED IN A RESIDENCE, PRODUCES ENERGY
25 DESIGNED TO PROVIDED HEATING, COOLING OR HOT WATER FOR USE IN SUCH RESI-
26 DENCE.

27 (C) THE TERM "SOLAR ELECTRIC ENERGY SYSTEM" SHALL MEAN SOLAR ENERGY
28 EQUIPMENT THAT IS AN ARRANGEMENT OR COMBINATION OF COMPONENTS UTILIZING
29 SOLAR RADIATION, WHICH, WHEN INSTALLED IN A RESIDENCE, PRODUCES ENERGY
30 DESIGNED TO PROVIDE ELECTRICITY FOR USE IN SUCH RESIDENCE. SUCH SYSTEMS
31 must conform to applicable requirements set forth in section sixty-six-j
32 of the public service law. Provided, however, where A solar ELECTRIC
33 energy system [equipment] is purchased and installed by a condominium
34 management association or a cooperative housing corporation, for
35 purposes of this subsection only, the term "ten kilowatts" in such
36 section sixty-six-j shall be read as "fifty kilowatts."

37 S 4. Paragraph 4 of subsection (g-1) of section 606 of the tax law, as
38 amended by chapter 378 of the laws of 2005, is amended to read as
39 follows:

40 (4) Multiple taxpayers. Where solar energy system equipment is
41 purchased and installed in a [principal] residence shared by two or more
42 taxpayers, the amount of the credit allowable under this subsection for
43 each such taxpayer shall be prorated according to the percentage of the
44 total expenditure for such solar energy system equipment contributed by
45 each taxpayer.

46 S 5. Paragraph 5 of subsection (g-1) of section 606 of the tax law, as
47 added by chapter 128 of the laws of 2007, is amended to read as follows:

48 (5) Proportionate share. Where solar energy system equipment is
49 purchased and installed by a condominium management association or a
50 cooperative housing corporation, a taxpayer who is a member of the
51 condominium management association or who is a tenant-stockholder in the
52 cooperative housing corporation may for the purpose of this subsection
53 claim a proportionate share of the total expense as the expenditure for
54 the purposes of the credit attributable to his [principal] OR HER resi-
55 dence.

1 S 6. Section 606 of the tax law is amended by adding a new subsection
2 (g-3) to read as follows:

3 (G-3) WIND ENERGY SYSTEM EQUIPMENT CREDIT. (1) GENERAL. AN INDIVIDUAL
4 TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTI-
5 CLE EQUAL TO TWENTY-FIVE PERCENT OF QUALIFIED WIND ENERGY SYSTEM EQUIP-
6 MENT EXPENDITURES. THIS CREDIT SHALL NOT EXCEED FIVE THOUSAND DOLLARS
7 FOR QUALIFIED WIND ENERGY EQUIPMENT.

8 (2) QUALIFIED WIND ENERGY SYSTEM EQUIPMENT EXPENDITURES. (A) THE TERM
9 "QUALIFIED WIND ENERGY SYSTEM EQUIPMENT EXPENDITURES" MEANS EXPENDITURES
10 FOR THE PURCHASE OF WIND ENERGY SYSTEM EQUIPMENT WHICH IS INSTALLED IN
11 CONNECTION WITH RESIDENTIAL PROPERTY WHICH IS (I) LOCATED IN THIS STATE
12 AND (II) WHICH IS USED BY THE TAXPAYER AS ANY OF HIS OR HER RESIDENCES
13 AT THE TIME THE WIND ENERGY SYSTEM EQUIPMENT IS PLACED IN SERVICE.

14 (B) SUCH QUALIFIED EXPENDITURES SHALL INCLUDE EXPENDITURES FOR MATERI-
15 ALS, LABOR COSTS PROPERLY ALLOCABLE TO ON-SITE PREPARATION, ASSEMBLY AND
16 ORIGINAL INSTALLATION, ARCHITECTURAL AND ENGINEERING SERVICES, AND
17 DESIGNS AND PLANS DIRECTLY RELATED TO THE CONSTRUCTION OR INSTALLATION
18 OF THE WIND ENERGY SYSTEM EQUIPMENT.

19 (C) SUCH QUALIFIED EXPENDITURES SHALL NOT INCLUDE INTEREST OR OTHER
20 FINANCE CHARGES.

21 (3) WIND ENERGY SYSTEM EQUIPMENT. THE TERM "WIND ENERGY SYSTEM EQUIP-
22 MENT" SHALL MEAN AN ARRANGEMENT OR COMBINATION OF COMPONENTS UTILIZING
23 WIND, WHICH, WHEN INSTALLED IN A RESIDENCE, PRODUCES ENERGY DESIGNED TO
24 PROVIDE ELECTRICITY FOR USE IN SUCH RESIDENCE. SUCH ARRANGEMENT OR
25 COMPONENTS SHALL NOT INCLUDE EQUIPMENT CONNECTED TO WIND ENERGY SYSTEM
26 EQUIPMENT THAT IS A COMPONENT OF PART OR PARTS OF A NON-WIND ENERGY
27 SYSTEM OR WHICH USES ANY SORT OF RECREATIONAL FACILITY OR EQUIPMENT AS A
28 STORAGE MEDIUM. WIND ENERGY SYSTEM EQUIPMENT THAT GENERATES ELECTRICITY
29 FOR USE IN A RESIDENCE MUST CONFORM TO APPLICABLE REQUIREMENTS SET FORTH
30 IN SECTION SIXTY-SIX-L OF THE PUBLIC SERVICE LAW. PROVIDED, HOWEVER,
31 WHERE WIND ENERGY SYSTEM EQUIPMENT IS PURCHASED AND INSTALLED BY A
32 CONDOMINIUM MANAGEMENT ASSOCIATION OR A COOPERATIVE HOUSING CORPORATION,
33 FOR PURPOSES OF THIS SUBSECTION ONLY, THE TERM "TWENTY-FIVE KILOWATTS"
34 IN SUCH SECTION SIXTY-SIX-L SHALL BE READ AS "FIFTY KILOWATTS."

35 (4) MULTIPLE TAXPAYERS. WHERE WIND ENERGY SYSTEM EQUIPMENT IS
36 PURCHASED AND INSTALLED IN A RESIDENCE SHARED BY TWO OR MORE TAXPAYERS,
37 THE AMOUNT OF THE CREDIT ALLOWABLE UNDER THIS SUBSECTION FOR EACH SUCH
38 TAXPAYER SHALL BE PRORATED ACCORDING TO THE PERCENTAGE OF THE TOTAL
39 EXPENDITURE FOR SUCH WIND ENERGY SYSTEM EQUIPMENT CONTRIBUTED BY EACH
40 TAXPAYER.

41 (5) PROPORTIONATE SHARE. WHERE WIND ENERGY SYSTEM EQUIPMENT IS
42 PURCHASED AND INSTALLED BY A CONDOMINIUM MANAGEMENT ASSOCIATION OR A
43 COOPERATIVE HOUSING CORPORATION, A TAXPAYER WHO IS A MEMBER OF THE
44 CONDOMINIUM MANAGEMENT ASSOCIATION OR WHO IS A TENANT-STOCKHOLDER IN THE
45 COOPERATIVE HOUSING CORPORATION MAY FOR THE PURPOSE OF THIS SUBSECTION
46 CLAIM A PROPORTIONATE SHARE OF THE TOTAL EXPENSE AS THE EXPENDITURE FOR
47 THE PURPOSES OF THE CREDIT ATTRIBUTABLE TO HIS OR HER RESIDENCE.

48 (6) GRANTS. FOR PURPOSES OF DETERMINING THE AMOUNT OF THE EXPENDITURE
49 INCURRED IN PURCHASING AND INSTALLING WIND ENERGY SYSTEM EQUIPMENT, THE
50 AMOUNT OF ANY FEDERAL, STATE OR LOCAL GRANT RECEIVED BY THE TAXPAYER,
51 WHICH WAS USED FOR THE PURCHASE AND/OR INSTALLATION OF SUCH EQUIPMENT
52 AND WHICH WAS NOT INCLUDED IN THE FEDERAL GROSS INCOME OF THE TAXPAYER,
53 SHALL NOT BE INCLUDED IN THE AMOUNT OF SUCH EXPENDITURES.

54 (7) WHEN CREDIT ALLOWED. THE CREDIT PROVIDED FOR IN THIS SUBSECTION
55 SHALL BE ALLOWED WITH RESPECT TO THE TAXABLE YEAR, COMMENCING AFTER TWO

1 THOUSAND TWELVE, IN WHICH THE WIND ENERGY SYSTEM EQUIPMENT IS PLACED IN
2 SERVICE.

3 (8) CARRYOVER OF CREDIT. IF THE AMOUNT OF THE CREDIT, AND CARRYOVERS
4 OF SUCH CREDIT, ALLOWABLE UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR
5 SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, SUCH EXCESS AMOUNT MAY BE
6 CARRIED OVER TO THE FIVE TAXABLE YEARS NEXT FOLLOWING THE TAXABLE YEAR
7 WITH RESPECT TO WHICH THE CREDIT IS ALLOWED AND MAY BE DEDUCTED FROM THE
8 TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

9 S 7. This act shall take effect on January 1, 2013 and shall apply to
10 taxable years beginning on and after such date.