

3542

2015-2016 Regular Sessions

I N A S S E M B L Y

January 23, 2015

Introduced by M. of A. ENGLEBRIGHT -- read once and referred to the
Committee on Housing

AN ACT to amend the public housing law, in relation to establishing the
downtown revitalization zone rental housing credit

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

1 Section 1. The public housing law is amended by adding a new article
2 14 to read as follows:

3 ARTICLE XIV
4 DOWNTOWN REVITALIZATION
5 RENTAL HOUSING CREDIT

6 SECTION 600. PURPOSE AND INTENT.

7 601. ADMINISTRATION.

8 602. ALLOWANCE OF CREDIT.

9 603. DETERMINATION OF RENTAL HOUSING CREDIT.

10 S 600. PURPOSE AND INTENT. RENTAL HOUSING TAX CREDITS ARE HEREBY
11 CREATED. THE PURPOSE OF THE TAX CREDITS IS TO ENCOURAGE THE CONSTRUCTION
12 AND REHABILITATION OF RENTAL HOUSING IN DOWNTOWN REVITALIZATION ZONES IN
13 THE STATE. THE DEMAND FOR TAX CREDIT BY STATE PROJECTS EXCEEDS THE
14 CURRENT FEDERAL CAP FOR SUCH PROJECTS. IT IS, THEREFORE, THE INTENT OF
15 THE LEGISLATURE THAT THIS ARTICLE COORDINATE WITH AND BUILD UPON THE
16 FEDERAL LOW-INCOME HOUSING CREDIT AND THAT THE EXISTING STATE ADMINIS-
17 TRATIVE STRUCTURE IN PLACE FOR SERVICING THE FEDERAL CREDIT BE USED TO
18 ALLOW THE FEDERAL CREDIT TO BE LEVERAGED TO PRODUCE MORE RENTAL HOUSING
19 IN THE STATE. THE STATE CREDIT IS INTENDED TO ALSO ALLOW FOR THE
20 CONSTRUCTION OF MODERATE INCOME HOUSING NOT COVERED BY THE FEDERAL CRED-
21 IT.

22 S 601. ADMINISTRATION. THE TAX CREDITS SHALL BE ADMINISTERED BY THE
23 DIVISION OF HOUSING AND COMMUNITY RENEWAL AND SHALL UTILIZE THE EXISTING
24 STATE ADMINISTRATIVE STRUCTURE UTILIZED TO DETERMINE THE FEDERAL TAX

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

LBD07321-01-5

1 CREDIT, TO THE EXTENT FEASIBLE PURSUANT TO SUBDIVISION ONE OF SECTION
2 SIX HUNDRED TWO OF THIS ARTICLE.

3 S 602. ALLOWANCE OF CREDIT. 1. TAX CREDITS SHALL BE ALLOWED FOR THE
4 CONSTRUCTION OF RENT-RESTRICTED HOUSING IN DOWNTOWN REVITALIZATION ZONES
5 WHICH QUALIFY FOR THE FEDERAL TAX CREDIT, OR WHICH QUALIFY IN ALL
6 RESPECTS FOR THE FEDERAL TAX CREDIT WITH THE EXCEPTION OF THE TENANT
7 INCOME TEST.

8 2. THE TAX CREDITS SHALL APPLY TO PROJECTS WHERE AT LEAST TWENTY
9 PERCENT OF THE RESIDENTIAL UNITS OF A PROJECT ARE OCCUPIED BY TENANTS
10 WHOSE INCOME IS NINETY PERCENT OR LESS OF AREA MEDIAN GROSS INCOME.

11 3. THE TAX CREDITS SHALL BE ALLOWED AS A CREDIT AGAINST THE TAXES
12 IMPOSED BY:

13 (A) ARTICLE NINE-A OF THE TAX LAW, FRANCHISE TAX ON BUSINESS CORPO-
14 RATIONS;

15 (B) ARTICLE TWENTY-TWO OF THE TAX LAW, PERSONAL INCOME TAX;

16 (C) ARTICLE THIRTY-TWO OF THE TAX LAW, FRANCHISE TAX ON BANKING CORPO-
17 RATIONS; AND

18 (D) ARTICLE THIRTY-THREE OF THE TAX LAW, FRANCHISE TAXES ON INSURANCE
19 CORPORATIONS.

20 S 603. DETERMINATION OF RENTAL HOUSING CREDIT. 1. THE TAX CREDITS
21 GRANTED PURSUANT TO THIS ARTICLE SHALL BE DETERMINED BY AN APPLICABLE
22 PERCENTAGE BASED ON PREVAILING INTEREST RATES AND PROJECT CONSTRUCTION
23 COST, AND IS INTENDED TO YIELD A CREDIT AMOUNT OVER TEN YEARS APPROXI-
24 MATING SEVENTY PERCENT OF THE PRESENT VALUE OF THE COST OF A PROJECT'S
25 RENTAL UNITS.

26 2. SUCH TAX CREDITS SHALL NOT EXCEED THE AMOUNT DEEMED BY THE COMMIS-
27 SIONER TO BE NECESSARY FOR PROJECT FEASIBILITY.

28 S 2. This act shall take effect on the first of January next succeed-
29 ing the date on which it shall have become a law and shall apply to
30 taxable years commencing on or after such effective date.