AN ACT to amend the tax law, in relation to establishing the rental real
estate income relief tax credit

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

Section 1. Section 210-B of the tax law is amended by adding a new
subdivision 55 to read as follows:

55. Rental real estate income relief tax credit. (a) For the purposes
of this subdivision, the following terms shall have the following mean-
ings:

(1) "Residential tenant" shall have the same meaning as paragraph (a)
of subdivision one of section two hundred thirty-five-f of the real
property law, those who otherwise pay for the use and occupancy of a
residential dwelling, or occupants as defined by paragraph (b) of subdi-
vision one of section two hundred thirty-five-f of the real property
law.

(2) "Commercial tenant" shall mean a person or entity lawfully occupy-
ing a covered property pursuant to a lease or other rental agreement.

(3) "Covered property" shall mean any building or portion of a build-
ing:

(i) that is lawfully used for buying, selling or otherwise providing
goods or services, or for other lawful business, commercial or profes-
sional services, or manufacturing activities; and

(ii) for which a certificate of occupancy authorizing residential use
of such building or such portion of a building has not been issued.

(4) "Small business" shall have the same meaning as section one
hundred thirty-one of the economic development law.

(b) For taxable years beginning on or after January first, two thou-
sand twenty and before January first, two thousand twenty-one, a taxpay-
er shall be allowed a credit, to be computed as hereinafter provided,
against the tax imposed by this article. The amount of the credit shall
be equal to the loss of rental income related to the inability of resi-
dential tenants and small business commercial tenants to pay rent as a

EXPLANATION--Matter in **italics** (underscored) is new; matter in brackets
[-] is old law to be omitted.
result of government ordered restrictions in response to the coronavirus
disease two thousand nineteen (COVID-19). Such credit shall be granted
to any taxpayer with income derived from the rental of a covered proper-
ty who has seen a partial or total loss of such income.

(c) A taxpayer applying for such credit shall do so according to an
application as established by the commissioner in consultation with the
commissioner of the division of homes and community renewal. Provided,
such application would include the requirement of the taxpayer to
provide supporting documentation establishing the loss of rental income
as prescribed by the commissioner, including, but not limited to, an
enforceable residential tenant lease agreement or commercial tenant
lease agreement.

(d) The credit allowed under this subdivision for any taxable year
shall not reduce the tax due for such year to less than the fixed dollar
minimum amount prescribed in paragraph (d) of subdivision one of section
two hundred ten of this article. However, if the amount of credit
allowed 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 thus not deductible in such
taxable year shall be treated as an overpayment of tax to be credited or
refunded 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.

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

(mmm) Rental real estate income relief tax credit. (a) For the
purposes of this subsection, the following terms shall have the follow-
ing meanings:

(1) "Residential tenant" shall have the same meaning as paragraph (a)
of subdivision one of section two hundred thirty-five-f of the real
property law, those who otherwise pay for the use and occupancy of a
residential dwelling, or occupants as defined by paragraph (b) of subdi-
vision one of section two hundred thirty-five-f of the real property
law.

(2) "Commercial tenant" shall mean a person or entity lawfully occupy-
ing a covered property pursuant to a lease or other rental agreement.

(3) "Covered property" shall mean any building or portion of a build-
ing:
(i) that is lawfully used for buying, selling or otherwise providing
goods or services, or for other lawful business, commercial or profes-
sional services, or manufacturing activities; and

(ii) for which a certificate of occupancy authorizing residential use
of such building or such portion of a building has not been issued.

(4) "Small business" shall have the same meaning as section one
hundred thirty-one of the economic development law.

(b) For taxable years beginning on or after January first, two thou-
sand twenty and before January first, two thousand twenty-one, a taxpay-
er shall be allowed a credit, to be computed as hereinafter provided,
against the tax imposed by this article. The amount of the credit shall
be equal to the loss of rental income related to the inability of resi-
dential tenants and small business commercial tenants to pay rent as a
result of government ordered restrictions in response to the coronavirus
disease two thousand nineteen (COVID-19). Such credit shall be granted
to any taxpayer with income derived from the rental of a covered proper-
ty who has seen a partial or total loss of such income.
(c) A taxpayer applying for such credit shall do so according to an application as established by the commissioner in consultation with the commissioner of the division of homes and community renewal. Provided, such application would include the requirement of the taxpayer to provide supporting documentation establishing the loss of rental income as prescribed by the commissioner, including, but not limited to, an enforceable residential tenant lease agreement or commercial tenant lease agreement.

(d) If the amount of the credit allowed under this subsection for any taxable year shall exceed the taxpayer's tax for such year, 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.