

STATE OF NEW YORK

4635--A

2019-2020 Regular Sessions

IN SENATE

March 18, 2019

Introduced by Sen. KENNEDY -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to providing a residential lead remediation tax credit

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

Section 1. Section 606 of the tax law is amended by adding a new subsection (kkk) to read as follows:

(kkk) Residential lead abatement tax credit. (1) General. A qualified taxpayer shall be allowed a credit for taxable years beginning on or after January first, two thousand twenty against the tax imposed by this article for the costs of abatement of lead contamination in a residence, when such removal is recommended by a lead professional certified or licensed by the United States environmental protection agency.

(2) Credit limitation. The amount of the credit shall be the lesser of ten thousand dollars or thirty percent of the total cost.

(3) Lead abatement costs. The term "costs of abatement" includes the cost of an inspection or assessment from a certified specialist, any initial appraisals of lead, municipal or otherwise, labor costs of removal, any disposal fees, and any cleanup fees; except any state or local sales tax applicable to the services performed.

(4) Removal and abatement for qualified taxpayers. A property owner who incurs costs for removing or remediating lead as in this section, only applies to a residence which is:

(A) located in this state;

(B) owned by the taxpayer;

(C) used by the taxpayer as his or her principal residence, secondary residence, or rental property; and

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

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1 (D) is located in a city or municipality with one million residents or
2 less.

3 (5) When credit allowed. The credit provided for in this subsection
4 shall be allowed with respect to the taxable year, commencing after
5 January first after its passage in which the removal work is completed
6 and paid for.

7 (6) Carryover of credit. If the amount of the credit, and carryovers
8 of such credit, allowable under this subsection for any taxable year
9 shall exceed the taxpayer's tax for such year, such excess amount may be
10 carried over to the five taxable years next following the taxable year
11 with respect to which the credit is allowed and may be deducted from the
12 taxpayer's tax for such year or years.

13 (7) Allocation of credit. The commissioner shall promulgate regu-
14 lations by January first, two thousand twenty to establish procedures
15 for the allocation of tax credits allowed under this subsection. Such
16 rules and regulations shall include provisions describing the applica-
17 tion process for the credit allowed under this subsection, the due dates
18 for such applications, the standards which shall be used to evaluate the
19 applications, the documentation that will be provided to taxpayers to
20 substantiate to the department the amount of tax credits allocated to
21 such taxpayers, and such other provisions as deemed necessary and appro-
22 priate. Notwithstanding any other provisions to the contrary in the
23 state administrative procedure act, such rules and regulations may be
24 adopted on an emergency basis if necessary to meet such January first,
25 two thousand twenty deadline. The aggregate amount of tax credits
26 allowed under this subsection in any taxable year shall be twenty-five
27 million dollars. Such aggregate amount of credits shall be allocated
28 among taxpayers in order of priority based upon the date of filing an
29 application for the credit. If the total amount of allocated credits
30 applied for in any particular year exceeds the aggregate amount of tax
31 credits allowed for such year under this section, such excess shall be
32 treated as having been applied for on the first day of the subsequent
33 year.

34 (8) Credit recapture. For provisions requiring recapture of credit,
35 see section forty-four of this chapter.

36 § 2. This act shall take effect on the one hundred eightieth day after
37 it shall have become a law and shall apply to taxable years beginning on
38 or after January 1, 2020. Effective immediately, the addition, amend-
39 ment and/or repeal of any rule or regulation necessary for the implemen-
40 tation of this act on its effective date are authorized to be made and
41 completed on or before such effective date.