

STATE OF NEW YORK

7338

2023-2024 Regular Sessions

IN SENATE

May 19, 2023

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to credits against tax for homeowners and businesses who invest in green infrastructure

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

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

3 (bbb) Credit for homeowners and businesses to invest in green infras-
4 tructure. (1) Homeowners who construct green infrastructure as part of
5 their real property, during the taxable year, shall be eligible to
6 receive a tax credit for up to fifty percent of the cost of
7 construction, not exceeding ten thousand dollars.

8 (2) Businesses who construct green infrastructure as part of their
9 real property, during the taxable year, shall be eligible to receive a
10 tax credit for up to fifty percent of the cost of construction, not
11 exceeding ten thousand dollars.

12 (3) For purposes of this subsection, the following definitions shall
13 apply:

14 (a) "Homeowner" is defined as a New York resident for the past twen-
15 ty-four months and who owns a single family or multi-family dwelling for
16 residential purposes within New York state.

17 (b) "Business" shall mean any business whose principal place of busi-
18 ness is located in New York state, and has been located in the state for
19 the previous thirty-six months.

20 (c) "Green infrastructure" shall mean any cost-effective, resilient
21 approach to managing wet weather impacts that provides many community
22 benefits. For example, while single-purpose gray stormwater infrastruc-
23 ture, conventional piped drainage and water treatment systems are
24 designed to move urban stormwater away from the built environment, green
25 infrastructure reduces and treats stormwater at its source while deliv-

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

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1 ering environmental, social and economic benefits. Green infrastructure
2 shall include but not be limited to downspout disconnection, rainwater
3 harvesting, rain gardens, planter boxes, permeable pavements, and green
4 roofs.

5 (d) "Downspout disconnection" shall mean a practice which reroutes
6 rooftop drainage pipes from draining rainwater into the storm sewer to
7 draining it into rain barrels, cisterns, or permeable areas.

8 (e) "Rainwater harvesting" shall mean a system which collects and
9 stores rainfall for later use. When designed appropriately, they slow
10 and reduce runoff and provide a source of water.

11 (f) "Rain gardens" shall mean versatile features that can be installed
12 in almost any unpaved space. Also known as bioretention or bioinfiltra-
13 tion cells, rain gardens are shallow, vegetated basins that collect and
14 absorb runoff from rooftops, sidewalks, and streets. This practice
15 mimics natural hydrology by infiltrating, and evaporating and transpir-
16 ing, or "evapotranspiring," stormwater runoff.

17 (g) "Planter boxes" shall mean urban rain gardens with vertical walls
18 and either open or closed bottoms. They collect and absorb runoff from
19 sidewalks, parking lots and streets and are ideal for space-limited
20 sites in dense urban areas and as a streetscaping element.

21 (h) "Permeable pavements" shall mean pavements which infiltrate, treat
22 and/or store rainwater where it falls. Such pavements can be made of
23 pervious concrete, porous asphalt, or permeable interlocking pavers.
24 This practice could be particularly cost effective where land values are
25 high and flooding or icing is a problem.

26 (i) "Green roofs" shall mean roofs covered with growing media and
27 vegetation that enable rainfall infiltration and evapotranspiration of
28 stored water. Such roofs are particularly cost-effective in dense urban
29 areas where land values are high and on large industrial or office
30 buildings where stormwater management costs are likely to be high.

31 § 2. Section 210-B of the tax law is amended by adding a new subdivi-
32 sion 59 to read as follows:

33 59. Green infrastructure tax credit. (a) A qualified business as
34 defined by subsection (bbb) of section six hundred six of this chapter
35 shall be entitled to a credit against tax imposed by this article. The
36 amount of the credit shall be up to fifty percent of the cost of
37 construction, not exceeding five thousand dollars.

38 (b) Carryover. The credit allowed under this subdivision for any taxa-
39 ble year shall not reduce the tax due for that year to less than the
40 amount prescribed in paragraph (d) of subdivision one of section two
41 hundred ten of this article. However, if the amount of credit allowed
42 under this subdivision for any taxable year reduces the tax to such
43 amount, or if the taxpayer otherwise pays tax based on the fixed dollar
44 minimum amount, any amount of credit thus not deductible in that taxable
45 year will be treated as an overpayment of tax to be credited or refunded
46 in accordance with the provisions of section one thousand eighty-six of
47 this chapter. Provided, however, the provisions of subsection (c) of
48 section one thousand eighty-eight of this chapter notwithstanding, no
49 interest will be paid thereon.

50 § 3. This act shall take effect immediately and shall apply to taxable
51 years commencing on and after such date.