

# STATE OF NEW YORK

8826

## IN SENATE

March 19, 2024

Introduced by Sen. HELMING -- 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 establishing the "first-time homebuyer tax credit act"

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

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "first-time homebuyer tax credit act".

3 § 2. Legislative findings. The Legislature finds that homeownership is  
4 one of the most critical tools to economic security and prosperity.  
5 Homeownership is one of the most effective ways to create intergenera-  
6 tional transfers of wealth which many underserved and marginalized  
7 communities have historically been unable to achieve. However, the  
8 Legislature also finds that New York has become increasingly unafford-  
9 able for many first-time homebuyers due to burdensome regulation that has  
10 crippled the development of housing stock and kept prices high, as well  
11 as exorbitant property taxes that price out many individuals from  
12 putting down roots in our communities. Many children, upon reaching  
13 adulthood, are forced to move away from the towns they grew up in,  
14 simply because they cannot afford to live there. Therefore, the Legisla-  
15 ture deems it necessary to provide first-time homebuyers with a tax  
16 credit that will make it easier for them to be able to start and main-  
17 tain their lives here in our great state.

18 § 3. Section 606 of the tax law is amended by adding a new subsection  
19 (ppp) to read as follows:

20 (ppp) First-time homebuyer tax credit. (1) Allowance of credit. (A)  
21 Notwithstanding any provision in law to the contrary, a qualified  
22 taxpayer shall be allowed a credit against the taxes imposed by this  
23 article for taxes levied on the taxpayer's primary residence by or on  
24 behalf of any county, city, town, village, or school district in which  
25 such property is located. If the credit exceeds the tax as so reduced  
26 for such year under this article, the excess shall be treated as an  
27 overpayment, to be credited or refunded, without interest. If a quali-  
28 fied taxpayer is not required to file a return pursuant to section six

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

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1 hundred fifty-one of this article, a qualified taxpayer may nevertheless  
2 receive the full amount of the credit to be credited or repaid as an  
3 overpayment, without interest.

4 (B) For the purposes of this subsection, a qualified taxpayer shall be  
5 a person who has purchased a primary residential property, and who has  
6 not owned a primary residential property and is not married to a person  
7 who has owned a residential property, during the three-year period prior  
8 to such taxpayer's purchase of the primary residential property, and who  
9 does not own a vacation or investment home.

10 (2) Calculation of credit. Such credit shall last five years from the  
11 date of purchase of the primary residential property and be computed in  
12 accordance with the following table:

| <u>Year of Credit</u> | <u>Percentage of Taxes Levied</u> |
|-----------------------|-----------------------------------|
| <u>1</u>              | <u>50</u>                         |
| <u>2</u>              | <u>40</u>                         |
| <u>3</u>              | <u>30</u>                         |
| <u>4</u>              | <u>20</u>                         |
| <u>5</u>              | <u>10</u>                         |
| <u>6 or more</u>      | <u>0</u>                          |

20 § 4. The commissioner of taxation and finance shall promulgate any  
21 rules and regulations necessary to implement the provisions of this act.

22 § 5. This act shall take effect immediately and shall apply to taxable  
23 years beginning on and after January 1, 2025.