STATE OF NEW YORK

9717

IN ASSEMBLY

April 3, 2024

Introduced by M. of A. FITZPATRICK -- read once and referred to the Committee on Ways and Means

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:

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

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

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

(ppp) First-time homebuyer tax credit. (1) Allowance of credit. (A) Notwithstanding any provision in law to the contrary, a qualified taxpayer shall be allowed a credit against the taxes imposed by this article for taxes levied on the taxpayer's primary residence by or on behalf of any county, city, town, village, or school district in which such property is located. If the credit exceeds the tax as so reduced for such year under this article, the excess shall be treated as an overpayment, to be credited or refunded, without interest. If a qualified 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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hundred fifty-one of this article, a qualified taxpayer may nevertheless receive the full amount of the credit to be credited or repaid as an overpayment, without interest.

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

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

Year of Credit	Percentage of Taxes Levied
1	50
2	40
3	30
4	20
5	10
6 or more	0

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

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