

# STATE OF NEW YORK

2040

2025-2026 Regular Sessions

## IN ASSEMBLY

January 14, 2025

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

AN ACT to amend the tax law, in relation to establishing the green building credit

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 (qqq) to read as follows:

3 (qqq) Green building credit. (1) Allowance of credit. A taxpayer shall  
4 be allowed a credit against the tax imposed by this article provided  
5 that such taxpayer constructs or rehabilitates qualifying residential  
6 real property in conformity with energy efficiency standards established  
7 by the National Association of Home Builders or the Leadership in Energy  
8 and Environmental Design rating system developed by the United States  
9 green building council and fashions proof thereof in accordance with  
10 rules and regulations promulgated by the commissioner of the department  
11 of environmental conservation in conjunction with the commissioner.

12 (2) Amount of credit. The amount of the credit shall be equal to the  
13 allowable costs paid or incurred by the taxpayer, if the owner, for  
14 either the construction or rehabilitation of qualifying residential real  
15 property in conformity with energy efficiency standards established by  
16 the National Association of Home Builders or the Leadership in Energy  
17 and Environmental Design rating system developed by the United States  
18 green building council; provided, however, that such credit shall not  
19 exceed ten thousand dollars and shall not be awarded more than once in a  
20 period of ten years.

21 (3) For the purpose of this subsection, "allowable costs" means  
22 amounts properly chargeable to an account (other than for land), which  
23 are paid or incurred on or after January first, two thousand twenty-six,  
24 for: construction or rehabilitation; commissioning costs; interest paid  
25 or incurred during the construction or rehabilitation period; legal,

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

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1 architectural, engineering and other professional fees allocable to  
2 construction or rehabilitation; closing costs for construction, rehabil-  
3 itation or mortgage loans; recording taxes and filing fees incurred with  
4 respect to construction or rehabilitation; site costs (such as temporary  
5 electric wiring, scaffolding, demolition costs, and fencing and security  
6 facilities); and costs of furniture, carpeting, partitions, walls and  
7 wall coverings, ceilings, drapes, blinds, lighting, plumbing, electrical  
8 wiring and ventilation; provided that such costs shall not include the  
9 cost of telephone systems and computers (other than electrical wiring  
10 costs) and shall not include the cost of fuel cells or photovoltaic  
11 modules (including installation) or the cost of new air conditioning  
12 equipment using an EPA-approved non-ozone depleting refrigerant or other  
13 EPA-approved refrigerant approved by the commissioner of environmental  
14 conservation (excluding installation).

15 (4) For the purposes of this subsection "qualifying residential real  
16 property" shall mean the principal place of residence of an individual  
17 taxpayer who claims a credit pursuant to this subsection. In the event  
18 that such place of residence is a multiple dwelling, as defined by  
19 subdivision seven of section four of the multiple dwelling law, allow-  
20 able costs shall only constitute those costs incurred due to  
21 construction or rehabilitation undertaken on the portion of the dwelling  
22 that constitutes an individual taxpayer's unit.

23 (5) If the amount of the credit allowed under this subsection for any  
24 taxable year shall exceed the taxpayer's tax for such year, the excess  
25 may be carried over to the following year or years for up to five years  
26 and may be deducted from the taxpayer's tax for such year or years.

27 (6) The commissioner of the department of environmental conservation,  
28 in conjunction with the commissioner, shall promulgate such rules and  
29 regulations as may be necessary for the distribution of the credit  
30 established by this subsection.

31 § 2. This act shall take effect immediately and shall apply to taxable  
32 years beginning on and after January 1, 2027.