

STATE OF NEW YORK

42

2025-2026 Regular Sessions

IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. BURDICK -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the public service law and the real property tax law, in relation to establishing an exemption from taxation for energy-related public utility real property related to attaining state climate goals

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

1 Section 1. The public service law is amended by adding a new section
2 28 to read as follows:

3 § 28. Utility tax exemption for energy-related public utility real
4 property related to attaining state climate goals. 1. The department is
5 authorized and directed to consult with the commissioner of taxation and
6 finance in developing definitions and guidelines for the eligibility for
7 exemption of energy-related public utility real property as described in
8 subdivisions two and three of section four hundred eighty-seven-b of the
9 real property tax law. No energy-related public utility real property
10 shall be entitled to any exemption from taxation under section four
11 hundred eighty-seven-b of the real property tax law unless such project
12 meets the guidelines set by the commissioner of taxation and finance in
13 consultation with the department.

14 2. The department shall ensure that any net decrease in a utility
15 company's real property tax expense resulting from the provisions of
16 section four hundred eighty-seven-b of the real property tax law shall
17 inure to the benefit of the ratepayers of such company.

18 § 2. The real property tax law is amended by adding a new section
19 487-b to read as follows:

20 § 487-b. Exemption from taxation for energy-related public utility
21 real property related to attaining state climate goals. 1. As used in
22 this section:

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

LBD00111-01-5

1 (a) "Energy-related public utility real property" means real property
2 that is owned by a utility corporation and used in the storage, trans-
3 mission and distribution of electricity, or steam including conduits,
4 cables, lines, wires, poles, mains, pipes, substations, tanks, supports
5 and enclosures for electrical conductors located on, above and below
6 real property.

7 (b) "Department" means the department of public service.

8 (c) "Utility corporation" shall have the same meaning as defined in
9 section two of the public service law.

10 (d) "State climate goals" shall mean the climate justice and emission
11 reduction goals in article seventy-five of the environmental conserva-
12 tion law and the renewable energy goals in section sixty-six-p of the
13 public service law.

14 2. Energy-related public utility real property, the primary purpose of
15 which is to aid in meeting state climate goals, shall be exempt from
16 taxation, special ad valorem levies, and special assessments. Such
17 exemption shall remain in effect until such energy-related public utili-
18 ty real property is retired and removed from service.

19 3. Energy-related public utility real property owned by a utility
20 corporation prior to January first, two thousand twenty-five, the prima-
21 ry purpose of which is to aid in meeting state climate goals, shall be
22 exempt from taxation, special ad valorem levies, and special assessments
23 to the extent of any increase in the value thereof by reason of the
24 inclusion of new energy-related public utility real property designed to
25 meet state climate goals. Such exemption shall remain in effect until
26 such assets or installations are retired and removed from service.

27 4. The commissioner, in consultation with the department, shall, after
28 notice and opportunity for public comment, provide definitions and
29 guidelines for the eligibility for exemption of energy-related public
30 utility real property described in subdivisions two and three of this
31 section. No energy-related public utility real property shall be enti-
32 tled to any exemption from taxation under this section unless such
33 project meets the guidelines set by the commissioner, in consultation
34 with the department, and all other applicable provisions of law. The
35 commissioner, in consultation with the department, shall determine
36 adherence to such definitions and guidelines for each application and
37 shall certify or withhold certification for each application.

38 5. Such exemption shall be granted upon application by the owner and
39 certification by the commissioner, in consultation with the department.
40 Such application by the owner of the energy-related public utility real
41 property shall be on a form prescribed and made available by the commis-
42 sioner, in consultation with the department. The applicant shall furnish
43 such information as the commissioner shall require. The application
44 shall be filed with the assessor of the appropriate county, city, town
45 or village having the power to assess property for taxation on or before
46 the taxable status date of such county, city, town or village. A copy of
47 such application shall be filed with the commissioner who shall provide
48 it to the department.

49 6. The assessor shall approve applications certified by the commis-
50 sioner. In the event that energy-related public utility real property
51 granted an exemption pursuant to this section ceases to be used primari-
52 ly for eligible purposes, the exemption granted pursuant to this section
53 shall cease.

54 7. Any net decrease in a utility company's real property tax expense
55 resulting from the provisions of this section shall inure to the benefit
56 of the ratepayers of such company.

1 § 3. This act shall take effect on the first of January next succeed-
2 ing the date on which it shall have become a law and shall apply to
3 taxable years beginning on or after such date. Effective immediately,
4 the addition, amendment and/or repeal of any rule or regulation neces-
5 sary for the implementation of this act on its effective date are
6 authorized to be made and completed on or before such effective date.