

STATE OF NEW YORK

42--A

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 -- recommitted to the Committee on Real Property Taxation in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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:

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

LBD00111-03-6

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

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

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

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

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

17 2. Energy-related public utility real property, the primary purpose of
18 which is to aid in meeting state climate goals, shall be exempt from
19 taxation, except school district tax levies. Such exemption shall remain
20 in effect until such energy-related public utility real property is
21 retired and removed from service.

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

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

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

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

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

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