

STATE OF NEW YORK

10519--A

IN SENATE

May 15, 2026

Introduced by Sen. GONZALEZ -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to the tangible property credit component of the brownfield redevelopment tax credit

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

1 Section 1. Subparagraph (i) of paragraph 3 of subdivision (a) of
2 section 21 of the tax law, as amended by section 2 of subpart B of part
3 J of chapter 59 of the laws of 2023, is amended to read as follows:
4 (i) The tangible property credit component shall be equal to the
5 applicable percentage of the cost or other basis for federal income tax
6 purposes of tangible personal property and other tangible property,
7 including buildings and structural components of buildings, which
8 constitute qualified tangible property and may include any related party
9 service fee paid; provided that in determining the cost or other basis
10 of such property, the taxpayer shall exclude the acquisition cost of any
11 item of property with respect to which a credit under this section was
12 allowable to another taxpayer; and provided further that for the
13 purposes of this section, starting with taxable year two thousand twen-
14 ty-two, on sites that comply with the track one remediation standards
15 promulgated pursuant to subdivision four of section 27-1415 of the envi-
16 ronmental conservation law, stadiums, baseball parks, basketball courts
17 and other athletic facilities shall be considered buildings, and that
18 components of stadiums, baseball parks, basketball courts, and other
19 athletic facilities constructed on such sites, including sports field
20 turf, site lighting, sidewalks, access and entry ways, and other
21 improvements added to land, shall be considered structural components of
22 buildings under the internal revenue code, and shall be included in the
23 definition of tangible property for the purposes of this section. A
24 related party service fee shall be allowed only in the calculation of
25 the tangible property credit component and shall not be allowed in the
26 calculation of the site preparation credit component or the on-site

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

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1 groundwater remediation credit component. The portion of the tangible
2 property credit component which is attributable to related party service
3 fees shall be allowed only as follows: (A) in the taxable year in which
4 the qualified tangible property described in subparagraph (iii) of this
5 paragraph is placed in service, for that portion of the related party
6 service fees which have been earned and actually paid to the related
7 party on or before the last day of such taxable year; and (B) with
8 respect to any other taxable year for which the tangible property credit
9 component may be claimed under this subparagraph and in which the amount
10 of any additional related party service fees are actually paid by the
11 taxpayer to the related party, the tangible property credit component
12 for such amount shall be allowed in such taxable year. The credit compo-
13 nent amount so determined shall be allowed for the taxable year in which
14 such qualified tangible property is first placed in service on a quali-
15 fied site with respect to which a certificate of completion has been
16 issued to the taxpayer, or for the taxable year in which the certificate
17 of completion is issued if the qualified tangible property is placed in
18 service prior to the issuance of the certificate of completion. This
19 credit component shall only be allowed for up to one hundred twenty
20 months after the date of the issuance of such certificate of completion,
21 provided, however, that for qualified sites to which a certificate of
22 completion is issued on or after March twentieth, two thousand ten, but
23 prior to January first, two thousand twelve, the commissioner may extend
24 the credit component for up to one hundred forty-four months after the
25 date of such issuance, if the commissioner, in consultation with the
26 commissioner of environmental conservation, determines that the require-
27 ments for the credit would have been met if not for the restrictions
28 related to the state disaster emergency declared pursuant to executive
29 order 202 of 2020 or any extension thereof or subsequent executive order
30 issued in response to the novel coronavirus (COVID-19) pandemic;
31 provided, however, with respect to any qualified site for which the
32 department of environmental conservation has issued a certificate of
33 completion to the taxpayer on or after March twentieth, two thousand ten
34 and before December thirty-first, two thousand fifteen, this credit
35 component shall be allowed for up to one hundred eighty months after the
36 date of the issuance of such certificate of completion; provided, howev-
37 er, that for qualified sites located in counties with a population of
38 greater than two million two hundred thousand and less than two million
39 five hundred thousand based on the latest federal decennial census, for
40 which the department of environmental conservation has issued a certif-
41 icate of completion to the taxpayer on or after January first, two thou-
42 sand seventeen and prior to January first, two thousand eighteen, but
43 which cannot commence development due to environmental hazards posed by
44 an adjacent New York power authority peaker plant facility, the credit
45 component shall be allowed for up to one hundred eighty months after the
46 date of the issuance of such certificate of completion; provided that
47 such property includes a minimum of forty percent publicly accessible
48 open space, and a minimum of twenty-five percent affordable housing
49 units in compliance with subdivision (a) of section four hundred eight-
50 y-five-x of the real property tax law; and provided further, with
51 respect to any qualified site located in cities with a population great-
52 er than two hundred five thousand and less than two hundred fifteen
53 thousand in counties with a population greater than one million but less
54 than one million ten thousand based on the latest federal decennial
55 census for which the department of environmental conservation has issued
56 a certificate of completion to the taxpayer on or after January first,

1 two thousand seventeen and before December thirty-first, two thousand
2 seventeen, this credit component shall be allowed for up to one hundred
3 eighty months after the date of the issuance of such certificate of
4 completion.
5 § 2. This act shall take effect immediately.