

# STATE OF NEW YORK

2238--A

2025-2026 Regular Sessions

## IN SENATE

January 16, 2025

Introduced by Sen. GOUNARDES -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to the school tax reduction credit for residents of a city with a population over one million, and implementing a child tax credit for residents of such cities

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

1 Section 1. Subsection (ggg) of section 606 of the tax law is amended  
2 by adding a new paragraph 4-c to read as follows:

3 (4-c) Provided however, that for taxable years beginning after the  
4 effective date of this paragraph, the credit amount equal to the "fixed"  
5 amount provided by paragraph four-a of this subsection plus the "rate  
6 reduction" amount provided by paragraph four-b of this subsection shall  
7 be reduced by twenty dollars for each one thousand dollars by which a  
8 taxpayer's income exceeds:

9 (A) Seventy-five thousand dollars for unmarried individuals, a head of  
10 a household, or a married individual filing a separate return, or

11 (B) One hundred fifty thousand dollars for married individuals who  
12 make a single return jointly or surviving spouses.

13 Provided, however, that the credit amount shall never be reduced below  
14 zero.

15 § 2. Section 606 of the tax law is amended by adding a new subsection  
16 (qqq) to read as follows:

17 (qqq) Child tax credit for residents of a city with a population over  
18 one million. (1) For taxable years beginning after the effective date of  
19 this subsection, a child tax credit of three hundred dollars per quali-  
20 fying child shall be allowed to a resident taxpayer of the state who is  
21 a resident of a city with a population over one million, as provided in  
22 this subsection. For the purposes of this subsection, "qualifying child"

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

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1 shall mean a child who meets the definition of qualifying child under 26  
2 USC §24(c)(1), except that such term shall also include qualifying chil-  
3 dren who have not attained the age of eighteen. If the amount of the  
4 credit allowed under this subsection for any taxable year on or after  
5 the effective date of this subsection shall exceed the taxpayer's tax  
6 for such year, the excess shall be treated as an overpayment of tax to  
7 be credited or refunded in accordance with the provisions of section six  
8 hundred eighty-six of this article, provided, however, that no interest  
9 shall be paid thereon.

10 (2) The amount of the credit under this subsection shall be determined  
11 based upon the taxpayer's income as defined in subparagraph (ii) of  
12 paragraph (b) of subdivision four of section four hundred twenty-five of  
13 the real property tax law.

14 (3) The amount of the credit under this subsection shall be reduced by  
15 ten dollars for each one thousand dollars by which the taxpayer's income  
16 exceeds:

17 (A) One hundred sixty thousand dollars for a head of a household or a  
18 married individual filing a separate return, or

19 (B) Three hundred twenty thousand dollars for married individuals who  
20 make a single return jointly or surviving spouses.

21 Provided, however, that the credit amount shall never be reduced below  
22 zero.

23 (4) Such resident taxpayer must provide the social security number or  
24 individual taxpayer identification number for each qualifying child in  
25 order to claim the credit provided in this subsection.

26 (5) If a taxpayer changes status during the taxable year from resident  
27 to nonresident, or from nonresident to resident, the child tax credit  
28 authorized in this subsection shall be prorated according to the number  
29 of months in the period of residence.

30 § 3. The commissioner of taxation and finance shall take steps to  
31 publicize the child tax credit authorized by this act and, to the extent  
32 reasonably possible, inform taxpayers of tax liability changes made by  
33 this act.

34 § 4. This act shall take effect immediately and shall apply to taxable  
35 years beginning after the effective date of this act. Effective imme-  
36 diately, the addition, amendment and/or repeal of any rule or regulation  
37 necessary for the implementation of this act on its effective date are  
38 authorized to be made and completed on or before such effective date.