STATE OF NEW YORK

4026

2025-2026 Regular Sessions

IN SENATE

January 31, 2025

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to creating a disabled person retrofit tax credit

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

Section 1. Section 606 of the tax law is amended by adding a new subsection (bbb) to read as follows:

(bbb) Disabled person retrofit tax credit. (1) For taxable years beginning on or after January first, two thousand twenty-six, a taxpayer shall be allowed a credit, to be computed as hereinafter provided, against the tax imposed by this article. The amount of the credit shall be equal to thirty percent of the cost of the expenditures made by the taxpayer with respect to the installation of qualified improvements at a dwelling occupied by the taxpayer as their primary residence and may be allowed in the taxable year in which the expenditure is incurred; provided that the lifetime credit allowable with regard to expenditures for the installation of qualified improvements at a particular dwelling by any taxpayer shall not exceed five thousand dollars in the aggregate for improvements made to that dwelling. Subject to the provisions of this subsection, a taxpayer shall be allowed a credit, not to exceed five thousand dollars in the aggregate, for each dwelling that the taxpayer occupies as their primary residence and at which the taxpayer installs qualified improvements.

(2) As used in this subsection "qualified improvements" means the installation of:

(A) a no-step entrance or entrances allowing access into the residence;

(B) interior passage doors providing at least a thirty-two inch wide opening;

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

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(C) reinforcements in bathroom walls allowing installation of grab bars around the toilet, tub and shower; and

(D) light switches and outlets placed in locations accessible to disabled persons.

(3) If the amount of credit allowable under this subsection shall exceed the taxpayer's tax for such year, the excess may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years.

(4) (A) The provisions of this subsection shall not apply to any dwelling owned solely for commercial purposes. In the case of a building where less than the entire building is used as a residence of the taxpayer, only the portion of the total expenditures made in the building that is attributable to the residence of the taxpayer shall be treated as qualified expenditures for the purposes of this subsection.

(B) If the taxpayer occupies the dwelling as their primary residence for only a portion of a tax year in which a credit under this subsection is claimed, the amount of the allowable credit shall be reduced in proportion to the amount of time the taxpayer did not occupy the dwelling as their primary residence.

(C) In the case of a dwelling that is owned by and is a residence of two or more persons, other than a spouse, the portion of the total expenditures made in the rehabilitation of the building that is attributable to each taxpayer shall be equal to the taxpayer's share of ownership in such building.

(5) The taxpayer shall furnish such information as the commissioner determines is necessary to determine any credit under this subsection.

(6) The aggregate amount of tax credits allowed shall be one million dollars each year. Such aggregate amount of credits shall be allocated by the department among taxpayers in order of priority based upon the date of filing. If the total amount of allocated credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for such year under this section, such excess shall be treated as having been applied for on the first day of the subsequent year.

§ 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after January 1, 2026; provided further, this act shall apply to all tax years commencing on or after January 1, 2026.