STATE OF NEW YORK

5846

2025-2026 Regular Sessions

IN SENATE

March 3, 2025

Introduced by Sen. SKOUFIS -- 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 expanding the solar energy system equipment tax credit to cover solar energy system equipment installed in a community solar array

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

Section 1. Paragraphs 3 and 4 of subsection (g-1) of section 606 of the tax law, paragraph 3 as amended by chapter 128 of the laws of 2007 and paragraph 4 as amended by chapter 378 of the laws of 2005, are amended to read as follows:

(3) Solar energy system equipment. The term "solar energy system equipment" shall mean an arrangement or combination of components utilizing solar radiation, which, when installed in a residence **or in a community solar array**, produces energy designed to provide heating, cooling, hot water or electricity for use in such residence **or for use in a residence connected to a community solar array**. Such arrangement or components shall not include equipment connected to solar energy system equipment that is a component of part or parts of a non-solar energy system or which uses any sort of recreational facility or equipment as a storage medium. Solar energy system equipment that generates electricity for use in a residence must conform to applicable requirements set forth in section sixty-six-j of the public service law. Provided, however, where solar energy system equipment is purchased and installed by a condominium management association or a cooperative housing corporation, for purposes of this subsection only, the term "ten kilowatts" in such section sixty-six-j shall be read as "fifty kilowatts." **For the purposes of this subsection, "community solar array" shall mean a location other than a person's principal residence where solar energy system equipment is owned and installed for use in such person's principal residence.**

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

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(4) Multiple taxpayers. Where solar energy system equipment is purchased and installed in a principal residence shared by two or more taxpayers **or in a community solar array**, the amount of the credit allowable under this subsection for each such taxpayer shall be prorated according to the percentage of the total expenditure for such solar energy system equipment contributed by each taxpayer.

§ 2. This act shall take effect immediately and shall apply to taxable years commencing on and after January 1, 2025.