STATE OF NEW YORK

6099

2025-2026 Regular Sessions

IN SENATE

March 5, 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 credits against tax for homeowners and businesses who invest in green infrastructure

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) Credit for homeowners and businesses to invest in green infrastructure. (1) Homeowners who construct green infrastructure as part of their real property, during the taxable year, shall be eligible to receive a tax credit for up to fifty percent of the cost of construction, not exceeding ten thousand dollars.

(2) Businesses who construct green infrastructure as part of their real property, during the taxable year, shall be eligible to receive a tax credit for up to fifty percent of the cost of construction, not exceeding ten thousand dollars.

(3) For purposes of this subsection, the following definitions shall apply:

(a) "Homeowner" is defined as a New York resident for the past twenty-four months and who owns a single family or multi-family dwelling for residential purposes within New York state.

(b) "Business" shall mean any business whose principal place of business is located in New York state, and has been located in the state for the previous thirty-six months.

(c) "Green infrastructure" shall mean any cost-effective, resilient approach to managing wet weather impacts that provides many community benefits. For example, while single-purpose gray stormwater infrastructure, conventional piped drainage and water treatment systems are designed to move urban stormwater away from the built environment, green infrastructure reduces and treats stormwater at its source while deliv-

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

LBD10653-01-5

ering environmental, social and economic benefits. Green infrastructure shall include but not be limited to downspout disconnection, rainwater harvesting, rain gardens, planter boxes, permeable pavements, and green roofs.

(d) "Downspout disconnection" shall mean a practice which reroutes rooftop drainage pipes from draining rainwater into the storm sewer to draining it into rain barrels, cisterns, or permeable areas.

(e) "Rainwater harvesting" shall mean a system which collects and stores rainfall for later use. When designed appropriately, they slow and reduce runoff and provide a source of water.

(f) "Rain gardens" shall mean versatile features that can be installed in almost any unpaved space. Also known as bioretention or bioinfiltration cells, rain gardens are shallow, vegetated basins that collect and absorb runoff from rooftops, sidewalks, and streets. This practice mimics natural hydrology by infiltrating, and evaporating and transpiring, or "evapotranspiring," stormwater runoff.

(g) "Planter boxes" shall mean urban rain gardens with vertical walls and either open or closed bottoms. They collect and absorb runoff from sidewalks, parking lots and streets and are ideal for space-limited sites in dense urban areas and as a streetscaping element.

(h) "Permeable pavements" shall mean pavements which infiltrate, treat and/or store rainwater where it falls. Such pavements can be made of pervious concrete, porous asphalt, or permeable interlocking pavers. This practice could be particularly cost effective where land values are high and flooding or icing is a problem.

(i) "Green roofs" shall mean roofs covered with growing media and vegetation that enable rainfall infiltration and evapotranspiration of stored water. Such roofs are particularly cost-effective in dense urban areas where land values are high and on large industrial or office buildings where stormwater management costs are likely to be high.

§ 2. Section 210-B of the tax law is amended by adding a new subdivision 61 to read as follows:

61. Green infrastructure tax credit. (a) A qualified business as defined by subsection (bbb) of section six hundred six of this chapter shall be entitled to a credit against tax imposed by this article. The amount of the credit shall be up to fifty percent of the cost of construction, not exceeding five thousand dollars.

(b) Carryover. The credit allowed under this subdivision for any taxable year shall not reduce the tax due for that year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of credit allowed under this subdivision for any taxable year reduces the tax to such amount, or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in that taxable year will be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest will be paid thereon.

§ 3. This act shall take effect immediately and shall apply to taxable years commencing on and after such date.