

STATE OF NEW YORK

850

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sens. HELMING, BORRELLO, GALLIVAN, RHOADS, ROLISON, WEBER, WEIK -- 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 establishing the "first-time homebuyer tax credit act"

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

1 Section 1. Short title. This act shall be known and may be cited as
2 the "first-time homebuyer tax credit act".

3 § 2. Legislative findings. The Legislature finds that homeownership is
4 one of the most critical tools to economic security and prosperity.
5 Homeownership is one of the most effective ways to create intergenera-
6 tional transfers of wealth which many underserved and marginalized
7 communities have historically been unable to achieve. However, the
8 Legislature also finds that New York has become increasingly unafford-
9 able for many first-time homebuyers due to burdensome regulation that has
10 crippled the development of housing stock and kept prices high, as well
11 as exorbitant property taxes that price out many individuals from
12 putting down roots in our communities. Many children, upon reaching
13 adulthood, are forced to move away from the towns they grew up in,
14 simply because they cannot afford to live there. Therefore, the Legisla-
15 ture deems it necessary to provide first-time homebuyers with a tax
16 credit that will make it easier for them to be able to start and main-
17 tain their lives here in our great state.

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

20 (bbb) First-time homebuyer tax credit. (1) Allowance of credit. (A)
21 Notwithstanding any provision in law to the contrary, a qualified
22 taxpayer shall be allowed a credit against the taxes imposed by this
23 article for taxes levied on the taxpayer's primary residence by or on

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

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1 behalf of any county, city, town, village, or school district in which
2 such property is located. If the credit exceeds the tax as so reduced
3 for such year under this article, the excess shall be treated as an
4 overpayment, to be credited or refunded, without interest. If a quali-
5 fied taxpayer is not required to file a return pursuant to section six
6 hundred fifty-one of this article, a qualified taxpayer may nevertheless
7 receive the full amount of the credit to be credited or repaid as an
8 overpayment, without interest.

9 (B) For the purposes of this subsection, a qualified taxpayer shall be
10 a person who has purchased a primary residential property, and who has
11 not owned a primary residential property and is not married to a person
12 who has owned a residential property, during the three-year period prior
13 to such taxpayer's purchase of the primary residential property, and who
14 does not own a vacation or investment home.

15 (2) Calculation of credit. Such credit shall last five years from the
16 date of purchase of the primary residential property and be computed in
17 accordance with the following table:

<u>18 Year of Credit</u>	<u>Percentage of Taxes Levied</u>
<u>19 1</u>	<u>50</u>
<u>20 2</u>	<u>40</u>
<u>21 3</u>	<u>30</u>
<u>22 4</u>	<u>20</u>
<u>23 5</u>	<u>10</u>
<u>24 6 or more</u>	<u>0</u>

25 § 4. The commissioner of taxation and finance shall promulgate any
26 rules and regulations necessary to implement the provisions of this act.

27 § 5. This act shall take effect immediately and shall apply to taxable
28 years beginning on and after January 1, 2026.