

STATE OF NEW YORK

9571

IN SENATE

March 25, 2026

Introduced by Sen. KAVANAGH -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the public housing law, in relation to permitting multiple transfers of low-income housing tax credits

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

1 Section 1. Subdivision 1 and paragraph (a) of subdivision 8 of section
2 22 of the public housing law, subdivision 1 as amended by section 1 and
3 paragraph (a) of subdivision 8 as added by section 2 of part PP of chap-
4 ter 59 of the laws of 2018, are amended to read as follows:

5 1. A taxpayer subject to tax under article nine-A, twenty-two, or
6 thirty-three of the tax law which owns an interest in one or more eligi-
7 ble low-income buildings, or [~~a transferee~~] one or more transferees of
8 such a taxpayer as described in subdivision eight of this section, shall
9 be allowed a credit against such tax for the amount of low-income hous-
10 ing credit allocated by the commissioner to each such building. Except
11 as provided in subdivision two of this section, the credit amount so
12 allocated shall be allowed as a credit against the tax for the ten taxa-
13 ble years in the credit period.

14 (a) A taxpayer allowed a credit pursuant to this article may transfer
15 the credit, in whole or in part, to another person or entity, who shall
16 be referred to as the transferee, without regard to how any federal
17 low-income housing tax credit with respect to the low-income building
18 may be allocated and notwithstanding that such other person or entity
19 owns no interest in the eligible low-income building or in an entity
20 with an ownership interest in the eligible low-income building. Trans-
21 ferees shall be entitled to apply transferred credit to a tax imposed
22 under article nine-A, twenty-two or thirty-three of the tax law,
23 provided all requirements for claiming the credit are met. A transferee
24 may [~~not~~] transfer [~~any~~] all or a portion of a credit[~~, or portion there-~~
25 ~~of, acquired~~] received by transfer to another person or entity, subject
26 to approval by the agency and in accordance with rules promulgated by
27 the agency, provided that each transfer is properly documented and does

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

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1 not affect the eligibility of the underlying low-income housing project
2 for program benefits.

3 § 2. This act shall take effect immediately and shall apply to any
4 low-income housing tax credit allocated under article 2-A of the public
5 housing law, whether allocated before, on, or after such effective date,
6 including credits associated with projects that have been placed in
7 service, are under construction, or are in pre-development, provided
8 that any transfer occurring on or after the effective date shall comply
9 with the provisions of paragraph (a) of subdivision 8 of section 22 of
10 the public housing law, as amended by section one of this act.