

STATE OF NEW YORK

10938

IN ASSEMBLY

April 14, 2026

Introduced by M. of A. PALMESANO, SMULLEN, BLANKENBUSH, BOLOGNA, GRAY,
MANKTELOW -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law and the state finance law, in relation to establishing a one-year utility bill tax and surcharge holiday; and to amend the tax law, in relation to establishing a two-year green energy tax holiday

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

1 Section 1. The tax law is amended by adding a new section 47-a to read
2 as follows:

3 § 47-a. Utility bill tax and surcharge holiday. (a) Definitions. For
4 the purposes of this section, the following terms have the following
5 meanings:

6 (1) "Applicable period" shall mean the period beginning fourteen days
7 after the effective date of this section and ending one year after such
8 beginning date.

9 (2) "Utility company" shall have the same meaning as such term is
10 defined in section two of the public service law.

11 (b) (1) Exemption from taxation. Notwithstanding any other provision
12 of law, rule or regulation to the contrary, the following taxes imposed
13 on utility customers during the applicable period shall be exempt; gross
14 receipts tax and sales tax.

15 (2) Exemption from surcharges. Notwithstanding any other provision of
16 law, rule or regulation to the contrary, the following surcharges
17 imposed on utility customers made during the applicable period shall be
18 exempt; system benefits charge, temporary state assessment/incremental
19 state assessment charge and the renewable portfolio standard charge.

20 (c) Price reduction. During the applicable period the utility company
21 shall reduce the price of services by the amount of tax and surcharges
22 in excess that would have been collected from the customer if the
23 service had not been exempt from tax and surcharges pursuant to subdivi-
24 sion (b) of this section.

25 § 2. The tax law is amended by adding a new section 47-b to read as
26 follows:

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

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1 § 47-b. Green energy tax holiday. Notwithstanding any rule, law, regu-
2 lation, or order of the public service commission to the contrary, no
3 tariff or surcharge assessed for the construction or implementation of
4 renewable energy systems, as defined by section sixty-six-p of the
5 public service law, electric vehicle ready infrastructure, as defined by
6 section 11-104 of the energy law, or electric vehicle charging stations,
7 as defined by section 11-104 of the energy law, may be imposed on any
8 utility ratepayer for a period of two years after the effective date of
9 this act.

10 § 3. The state finance law is amended by adding a new section 89-l to
11 read as follows:

12 § 89-l. Utility bill tax and surcharge holiday. Within forty-five days
13 after the applicable period as defined by subdivision (a) of section
14 forty-seven-a of the tax law, the comptroller, in consultation with the
15 director of the division of the budget, shall transfer from the general
16 fund an amount equal to the amount that would have otherwise been depos-
17 ited in such accounts if the exemptions defined in paragraph one of
18 subdivision (b) of section forty-seven-a of the tax law had not been
19 authorized.

20 § 4. This act shall take effect immediately.