

STATE OF NEW YORK

11602

IN ASSEMBLY

June 5, 2026

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Moreno) --
read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to the tangible property credit
component of the brownfield redevelopment tax credit

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

1 Section 1. Subparagraph (i) of paragraph 3 of subdivision (a) of
2 section 21 of the tax law, as amended by section 2 of subpart B of part
3 J of chapter 59 of the laws of 2023, is amended to read as follows:
4 (i) The tangible property credit component shall be equal to the
5 applicable percentage of the cost or other basis for federal income tax
6 purposes of tangible personal property and other tangible property,
7 including buildings and structural components of buildings, which
8 constitute qualified tangible property and may include any related party
9 service fee paid; provided that in determining the cost or other basis
10 of such property, the taxpayer shall exclude the acquisition cost of any
11 item of property with respect to which a credit under this section was
12 allowable to another taxpayer; and provided further that for the
13 purposes of this section, starting with taxable year two thousand twen-
14 ty-two, on sites that comply with the track one remediation standards
15 promulgated pursuant to subdivision four of section 27-1415 of the envi-
16 ronmental conservation law, stadiums, baseball parks, basketball courts
17 and other athletic facilities shall be considered buildings, and that
18 components of stadiums, baseball parks, basketball courts, and other
19 athletic facilities constructed on such sites, including sports field
20 turf, site lighting, sidewalks, access and entry ways, and other
21 improvements added to land, shall be considered structural components of
22 buildings under the internal revenue code, and shall be included in the
23 definition of tangible property for the purposes of this section. A
24 related party service fee shall be allowed only in the calculation of
25 the tangible property credit component and shall not be allowed in the
26 calculation of the site preparation credit component or the on-site
27 groundwater remediation credit component. The portion of the tangible
28 property credit component which is attributable to related party service
29 fees shall be allowed only as follows: (A) in the taxable year in which
30 the qualified tangible property described in subparagraph (iii) of this
31 paragraph is placed in service, for that portion of the related party

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

LBD15926-04-6

1 service fees which have been earned and actually paid to the related
2 party on or before the last day of such taxable year; and (B) with
3 respect to any other taxable year for which the tangible property credit
4 component may be claimed under this subparagraph and in which the amount
5 of any additional related party service fees are actually paid by the
6 taxpayer to the related party, the tangible property credit component
7 for such amount shall be allowed in such taxable year. The credit compo-
8 nent amount so determined shall be allowed for the taxable year in which
9 such qualified tangible property is first placed in service on a quali-
10 fied site with respect to which a certificate of completion has been
11 issued to the taxpayer, or for the taxable year in which the certificate
12 of completion is issued if the qualified tangible property is placed in
13 service prior to the issuance of the certificate of completion. This
14 credit component shall only be allowed for up to one hundred twenty
15 months after the date of the issuance of such certificate of completion,
16 provided, however, that for qualified sites to which a certificate of
17 completion is issued on or after March twentieth, two thousand ten, but
18 prior to January first, two thousand twelve, the commissioner may extend
19 the credit component for up to one hundred forty-four months after the
20 date of such issuance, if the commissioner, in consultation with the
21 commissioner of environmental conservation, determines that the require-
22 ments for the credit would have been met if not for the restrictions
23 related to the state disaster emergency declared pursuant to executive
24 order 202 of 2020 or any extension thereof or subsequent executive order
25 issued in response to the novel coronavirus (COVID-19) pandemic;
26 provided, however, with respect to any qualified site for which the
27 department of environmental conservation has issued a certificate of
28 completion to the taxpayer on or after March twentieth, two thousand ten
29 and before December thirty-first, two thousand fifteen, this credit
30 component shall be allowed for up to one hundred eighty months after the
31 date of the issuance of such certificate of completion; provided, howev-
32 er, that for qualified sites located in counties with a population of
33 greater than two million two hundred thousand and less than two million
34 five hundred thousand based on the latest federal decennial census, for
35 which the department of environmental conservation has issued a certif-
36 icate of completion to the taxpayer on or after January first, two thou-
37 sand seventeen and prior to January first, two thousand eighteen, but
38 which cannot commence development due to environmental hazards posed by
39 an adjacent New York power authority peaker plant facility, the credit
40 component shall be allowed for up to one hundred eighty months after the
41 date of the issuance of such certificate of completion; provided that
42 such property includes a minimum of forty percent publicly accessible
43 open space, and a minimum of twenty-five percent affordable housing
44 units in compliance with subdivision (a) of section four hundred eight-
45 y-five-x of the real property tax law; and provided further, with
46 respect to any qualified site located in cities with a population great-
47 er than two hundred five thousand and less than two hundred fifteen
48 thousand in counties with a population greater than one million but less
49 than one million ten thousand based on the latest federal decennial
50 census for which the department of environmental conservation has issued
51 a certificate of completion to the taxpayer on or after January first,
52 two thousand seventeen and before December thirty-first, two thousand
53 seventeen, this credit component shall be allowed for up to one hundred
54 eighty months after the date of the issuance of such certificate of
55 completion.

56 § 2. This act shall take effect immediately.