STATE OF NEW YORK

2325

2025-2026 Regular Sessions

IN ASSEMBLY

January 16, 2025

Introduced by M. of A. McDONALD, SIMONE, LUPARDO, JONES, ANGELINO, JENSEN, JACOBSON, REYES, DeSTEFANO, GALLAHAN -- Multi-Sponsored by -- M. of A. DAVILA -- read once and referred to the Committee on Housing

AN ACT to amend the public housing law, the tax law and the state finance law, in relation to establishing the shovel-ready housing program

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

Section 1. The public housing law is amended by adding a new section 150-a to read as follows:

§ 150-a. Shovel-ready housing program. 1. No later than one year after the effective date of this section, and after consultation with municipal governments throughout the state, the division of housing and community renewal shall establish a "shovel-ready housing program" under which municipalities, excluding cities with a population of over one million, and planning commissions of such municipalities, if any, at their option, may pre-authorize parcels of property for the construction of housing.

2. The commissioner shall promulgate rules, regulations, and reporting requirements to establish the program pursuant to subdivision one of this section. Factors considered shall include, but not be limited to, environmental review, permitting, and local zoning. Nothing under such program shall supersede local laws. The division of housing and community renewal shall annually publish on its website a list of municipalities that have opted in to participate in such program.

3. In order for the division of housing and community renewal to certify a municipality's participation in the program under subdivision one of this section, such municipality shall pre-authorize parcels sufficient to increase the number of housing units in such municipality by at least one per centum or a minimum of ten units, whichever is greater.

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

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§ 2. Section 606 of the tax law is amended by adding a new subsection (n-3) to read as follows:

(n-3) Shovel-ready community tax rebate credit. (1) An individual taxpayer who meets the eligibility standards in paragraph two of this subsection shall be allowed a credit against the taxes imposed by this article in the amount specified in paragraph three of this subsection for the tax year following the year in the municipality in which such individual resides being certified as participating in the shovel-ready housing program established under section one hundred fifty-a of the public housing law.

(2) To be eligible for the credit, the taxpayer (or taxpayers filing joint returns) (i) shall own and primarily reside in real property receiving either the STAR exemption authorized by section four hundred twenty-five of the real property tax law or the school tax relief credit authorized by subsection (eee) of this section, (ii) shall have had qualified gross income no greater than two hundred fifty thousand dollars in the tax year two thousand twenty-one, and (iii) reside in a municipality that has certified participation in the shovel-ready housing program established under section one hundred fifty-a of the public housing law.

(3) (i) For a taxpayer who owned and primarily resided in real property receiving the basic STAR exemption or who received the basic STAR credit, the amount of the credit shall equal the STAR tax savings associated with such basic STAR exemption in the two thousand twenty-four--two thousand twenty-five school year, multiplied by the following percentage:

For a taxpayer whose primary residence is located outside the city of New York:

Qualified Gross	Income Percentage
Not over $75,000	163%
Over $75,000 but not over $150,000	115%
Over $150,000 but not over $200,000	66%
Over $200,000 but not over $250,000	18%
Over $250,000	No credit

(ii) For a taxpayer who owned and primarily resided in real property receiving the enhanced STAR exemption or who received the enhanced STAR credit, the amount of the credit shall equal the STAR tax savings associated with such enhanced STAR exemption in the two thousand twenty-four--two thousand twenty-five school year, multiplied by sixty-six percent if the taxpayer's primary residence is located outside the city of New York, or one hundred ten percent if the taxpayer's primary residence is located within the city of New York.

(iii) In no case shall the amount of the credit allowed under this subsection exceed the school district taxes due with respect to the residence for that school year, nor shall any credit be allowed under this subsection if the amount determined pursuant to this paragraph is less than one hundred dollars.

(4) For purposes of this subsection:

(i) "Qualified gross income" means the adjusted gross income of the qualified taxpayer for the taxable year as reported for federal income tax purposes, or which would be reported as adjusted gross income if a federal income tax return were required to be filed. In computing qualified gross income, the net amount of loss reported on Federal Schedule C, D, E, or F shall not exceed three thousand dollars per schedule. In

addition, the net amount of any other separate category of loss shall not exceed three thousand dollars. The aggregate amount of all losses included in computing qualified gross income shall not exceed fifteen thousand dollars.

(ii) "STAR tax savings" means the tax savings attributable to the basic or enhanced STAR exemption, whichever is applicable, within a portion of a school district, as determined by the commissioner pursuant to subdivision two of section thirteen hundred six-a of the real property tax law.

(5) If the amount of the credit allowed under this subsection shall exceed the taxpayer's tax for the taxable year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon. For each year this credit is allowed, on or before October fifteenth of such year, or as soon thereafter as is practicable, the commissioner shall determine the taxpayer's eligibility for this credit utilizing the information available to the commissioner on the taxpayer's personal income tax return filed for the taxable year two years prior to the taxable year in which the credit is allowed. For those taxpayers whom the commissioner has determined eligible for this credit, the commissioner shall advance a payment in the amount specified in paragraph three of this subsection, which payment shall be issued, to the greatest extent practicable, by October thirty-first of each year the credit is allowed. A taxpayer who has failed to receive an advance payment that such taxpayer believes was due to such taxpayer, or who has received an advance payment that such taxpayer believes is less than the amount that was due to such taxpayer, may request payment of the claimed deficiency in a manner prescribed by the commissioner.

(6) A taxpayer shall not be eligible for the credit allowed under this subsection if the school district taxes levied upon the residence during the taxable year remain unpaid sixty days after the last date on which they could have been paid without interest, or in the case of a school district where such taxes are payable in installments, if such taxes remain unpaid sixty days after the last date on which the final installment could have been paid without interest. If the taxes remain unpaid on such sixtieth day, the amount of credit claimed by the taxpayer under this subsection or the amount of advance payment of credit received by the taxpayer pursuant to paragraph five of this subsection shall be added back as tax on the income tax return for the taxable year in which such sixtieth day occurs.

(7) Only one credit per residence shall be allowed per taxable year under this subsection. When two or more members of a residence are able to meet the qualifications for a qualified taxpayer, the credit shall be equally divided between or among such individuals. In the case of spouses who file a joint federal return but who are required to determine their New York taxes separately, the credit allowed pursuant to this subsection may be applied against the tax of either or divided between them as they may elect.

§ 3. The state finance law is amended by adding a new section 54-n to read as follows:

§ 54-n. Grants to shovel-ready housing municipalities. 1. Annual apportionment. During each fiscal year of the state, there shall be apportioned and paid to cities, towns and villages, that have certified participation in the shovel-ready housing program established under section one hundred fifty-a of the public housing law from moneys appro-

priated by the state, infrastructure grants for the support of shovel ready housing municipalities. Such funding apportioned and paid to each qualified municipality shall be equal to double the municipalities' allotment of the consolidated local street and highway improvement program (CHIPS) funds in the previous fiscal year enacted budget.

2. Use of funds. Grants to shovel-ready housing municipalities shall be used for infrastructure purposes including, but not limited to road, bridge, sewer, power generation and distribution, and broadband projects. All other purposes shall be certified by the office of the state comptroller to ensure funds are used for projects that facilitate the construction of additional housing.

§ 4. This act shall take effect immediately.