

STATE OF NEW YORK

4020

2025-2026 Regular Sessions

IN ASSEMBLY

January 30, 2025

Introduced by M. of A. BERGER -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to providing tax credits for the installation of fire sprinkler systems

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

1 Section 1. Section 606 of the tax law is amended by adding a new
2 subsection (bbb) to read as follows:

3 (bbb) Fire sprinkler tax credit for residential properties. (1) Allow-
4 ance of credit. A taxpayer who is a residential property owner shall be
5 allowed a credit, to be computed as hereinafter provided, against the
6 tax imposed by this article. The amount of the credit shall be equal to
7 twenty-five percent of the cost of the labor and materials needed to
8 install sprinkler systems as defined by section one hundred fifty-five-a
9 of the executive law, by the residential property owner, provided,
10 however, that this subsection shall apply only to residential properties
11 in municipalities that do not already require fire sprinkler systems be
12 installed.

13 (2) Credit limitation. The amount of the credit that may be claimed by
14 a taxpayer pursuant to this subsection shall not exceed five thousand
15 dollars in any given year.

16 (3) Application of credit. If the amount of the credit allowed under
17 this subsection for any taxable year shall exceed the taxpayer's tax for
18 such year, the excess shall be treated as an overpayment of tax to be
19 credited or refunded in accordance with the provisions of section six
20 hundred eighty-six of this article, provided, however, that no interest
21 shall be paid thereon.

22 § 2. Section 210-B of the tax law is amended by adding a new subdivi-
23 sion 61 to read as follows:

24 61. Fire sprinkler tax credit for residential properties. (1) Allow-
25 ance of credit. A taxpayer who is a residential property owner shall be

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

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1 allowed a credit, to be computed as hereinafter provided, against the
2 tax imposed by this article. The amount of the credit shall be equal to
3 twenty-five percent of the cost of the labor and materials needed to
4 install sprinkler systems as defined by section one hundred fifty-five-a
5 of the executive law, by the residential property owner, provided,
6 however, that this subdivision shall apply only to residential proper-
7 ties in municipalities that do not already require fire sprinkler
8 systems be installed.

9 (2) Credit limitation. The amount of the credit that may be claimed by
10 a taxpayer pursuant to this subdivision shall not exceed five thousand
11 dollars in any given year.

12 (3) Application of credit. The credit allowed under this subdivision
13 for any taxable year shall not reduce the tax due for such year to less
14 than the fixed dollar minimum amount prescribed in paragraph (d) of
15 subdivision one of section two hundred ten of this chapter. However, if
16 the amount of credits allowed under this subdivision for any taxable
17 year reduces the tax to such amount or if the taxpayer otherwise pays
18 tax based on the fixed dollar minimum amount, any amount of credit thus
19 not deductible in such taxable year shall be treated as an overpayment
20 of tax to be credited or refunded in accordance with the provisions of
21 section one thousand eighty-six of this chapter. Provided, however, the
22 provisions of subsection (c) of section one thousand eighty-eight of
23 this chapter notwithstanding, no interest shall be paid thereon.

24 § 3. This act shall take effect immediately and shall apply to taxable
25 years beginning on or after January 1, 2025.