

STATE OF NEW YORK

452

2025-2026 Regular Sessions

IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. WALSH, JENSEN, SIMPSON, BEEPHAN -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing the retire strong tax credit

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 (qqq) to read as follows:

3 (qqq) Retire strong tax credit. (1) For purposes of this subsection:

4 (A) "Qualified taxpayer" means a resident individual of the state who
5 is sixty-five years of age or older during the tax year they file; who
6 owned and primarily resided for six months or more of the taxable year
7 in real property that either received the enhanced STAR exemption
8 authorized by section four hundred twenty-five of the real property tax
9 law, or that qualified such taxpayer to receive the enhanced school tax
10 relief credit authorized by subsection (eee) of this section.

11 (B) "Qualified gross income" means the adjusted gross income of a
12 qualified taxpayer for the taxable year for federal income tax purposes
13 and, for taxable year two thousand twenty-five computed without regard
14 to the last sentence of subsection (a) of section six hundred seven of
15 this part. In computing qualified gross income, the net amount of loss
16 reported on Federal Schedule C, D, E, or F shall not exceed three thou-
17 sand dollars per schedule. In addition, the net amount of any other
18 separate category of loss shall not exceed three thousand dollars. The
19 aggregate amount of all losses included in computing qualified gross
20 income shall not exceed fifteen thousand dollars.

21 (C) "Residence" means a dwelling in this state owned by the taxpayer
22 and used by such taxpayer as such taxpayer's primary residence, and so
23 much of the land abutting it, not exceeding one acre, as is reasonably
24 necessary for use of the dwelling as a home, and may consist of a part

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

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1 of a multi-dwelling or multi-purpose building including a cooperative or
2 condominium. Residence includes a trailer or mobile home, used exclu-
3 sively for residential purposes and defined as real property pursuant to
4 paragraph (g) of subdivision twelve of section one hundred two of the
5 real property tax law.

6 (D) "Qualifying real property taxes" means all real property taxes,
7 special ad valorem levies and special assessments, exclusive of penal-
8 ties and interest, levied by a taxing jurisdiction on the residence
9 owned and occupied by a qualified taxpayer and paid by the qualified
10 taxpayer during the taxable year, provided that to the extent the total
11 amount of real property taxes so paid includes school district taxes,
12 the amount of the school tax relief (STAR) credit claimed pursuant to
13 subsection (eee) of this section, if any, shall be deducted from such
14 amount.

15 A qualified taxpayer may elect to include any additional amount that
16 would have been levied by a taxing jurisdiction and paid by the quali-
17 fied taxpayer in the absence of an exemption from real property taxation
18 pursuant to section four hundred sixty-seven of the real property tax
19 law. If tenant-stockholders in a cooperative housing corporation have
20 met the requirements of section two hundred sixteen of the internal
21 revenue code by which they are allowed a deduction for real estate
22 taxes, the amount of taxes so allowable, or which would be allowable if
23 the taxpayer had filed returns on a cash basis, shall be qualifying real
24 property taxes. If a residence is an integral part of a larger unit,
25 qualifying real property taxes shall be limited to that amount of such
26 taxes paid as may be reasonably apportioned to such residence. If a
27 taxpayer owned and occupied two residences in the state during different
28 periods in the same taxable year, qualifying real property taxes shall
29 be the sum of the prorated qualifying real property taxes attributable
30 to the taxpayer during the periods such taxpayer occupied each of such
31 residences. A taxpayer who owned and occupied a residence in the state
32 for part of the taxable year and rented a residence in the state for
33 part of the same taxable year, may include the proration of qualifying
34 real property taxes on the residence owned. Provided, however, for
35 purposes of the credit allowed under this subsection, qualifying real
36 property taxes may be included by a qualified taxpayer only to the
37 extent that such taxpayer or the spouse of such taxpayer occupied such
38 residence for one hundred eighty-three days or more of the taxable year,
39 owned the residence and paid such taxes.

40 (2) The credit amount allowed under this subsection shall equal fifty
41 percent of qualifying real property taxes paid; however this amount
42 shall not exceed sixty-five hundred dollars.

43 (3) No credit shall be granted under this subsection:

44 (A) To a property owner if qualified gross income for the taxable year
45 exceeds three hundred thousand dollars.

46 (B) To a property owner unless: (i) the property is used for residen-
47 tial purposes; (ii) not more than twenty percent of the rental income,
48 if any, from the property is from rental for nonresidential purposes;
49 and (iii) the property is occupied as a residence in whole or in part by
50 one or more of the owners of the property.

51 (C) To an individual with respect to whom a deduction under subsection
52 (c) of section one hundred fifty-one of the internal revenue code is
53 allowable to another taxpayer for the taxable year.

54 (D) With respect to a residence that is wholly exempted from real
55 property taxation.

1 (E) To an individual who is not a resident individual of the state for
2 the entire taxable year.

3 (4) In the case of a taxpayer who has itemized deductions from federal
4 adjusted gross income, and whose federal itemized deductions include an
5 amount for real estate taxes paid, the New York itemized deduction
6 otherwise allowable under section six hundred fifteen of this article
7 shall be reduced by the amount of the credit claimed under this
8 subsection.

9 § 2. This act shall take effect immediately and shall apply to taxable
10 years beginning on or after January 1, 2025.