STATE OF NEW YORK

5931

2025-2026 Regular Sessions

IN ASSEMBLY

February 25, 2025

Introduced by M. of A. R. CARROLL, DINOWITZ, COLTON, EPSTEIN, SIMON, HYNDMAN -- Multi-Sponsored by -- M. of A. DAVILA -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to providing a tax abatement for geothermal well systems in cities of one million or more

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

Section 1. The title heading of title 4-C of article 4 of the real property tax law, as amended by chapter 412 of the laws of 2018, is amended to read as follows:

SOLAR ELECTRIC GENERATING SYSTEM**, GEOTHERMAL WELL SYSTEM** AND ELECTRIC ENERGY STORAGE EQUIPMENT TAX ABATEMENT FOR CERTAIN PROPERTIES IN A CITY OF ONE MILLION OR MORE PERSONS

§ 2. Subdivisions 2 and 8 of section 499-aaaa of the real property tax law, as amended by chapter 485 of the laws of 2023, are amended and a new subdivision 12 is added to read as follows:

2. "Application for tax abatement" shall mean an application for a solar electric generating system**, geothermal well system,** and/or electric energy storage equipment tax abatement pursuant to section four hundred ninety-nine-cccc of this title.

8. "Eligible solar electric generating system expenditures"**, "eligible geothermal well system expenditures"** and "eligible electric energy storage equipment expenditures" shall mean reasonable expenditures for materials, labor costs properly allocable to on-site preparation, assembly and original installation, architectural and engineering services, and designs and plans directly related to the construction or installation of a solar electric generating system**, geothermal well system** and/or electric energy storage equipment installed in connection with an eligible building. Solar parking canopy structures shall be considered a

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

LBD07643-01-5

solar electric generating system for the purposes of this subdivision. Such eligible expenditures shall not include interest or other finance charges, or any expenditures incurred using a federal, state or local grant.

12. "Geothermal well system" means a system which uses the earth's natural temperature under the ground to heat and/or cool a building.

§ 3. Paragraph (f) of subdivision 1 of section 499-bbbb of the real property tax law, as amended by chapter 485 of the laws of 2023, is amended and a new paragraph (g) is added to read as follows:

(f) if the solar electric generating system and/or electric energy storage system is placed in service on or after January first, two thousand twenty-four, and before January first, two thousand thirty-five, for each year of the compliance period such tax abatement shall be the lesser of (i) seven and one-half percent of eligible solar electric generating system and/or energy storage system expenditures, (ii) the amount of taxes payable in such tax year, or (iii) sixty-two thousand five hundred dollars[~~.~~]**; or**

(g) if a geothermal well system is placed in service on or after January first, two thousand twenty-seven, and before January first, two thousand twenty-nine, for each year of the compliance period such tax abatement shall be the lesser of (i) ten percent of eligible geothermal well system expenditures, (ii) the amount of taxes payable in such tax year, or (iii) sixty-two thousand five hundred dollars.

§ 4. Subdivisions 1 and 3 of section 499-cccc of the real property tax law, subdivision 1 as amended by chapter 485 of the laws of 2023 and subdivision 3 as amended by chapter 412 of the laws of 2018, are amended to read as follows:

1. To obtain a tax abatement pursuant to this title, an applicant must file an application for tax abatement, which may be filed on or after January first, two thousand nine, and on or before January first, two thousand thirty-six **for eligible solar electric generating system expenditures and eligible electric energy storage expenditures and on or after January first, two thousand twenty-seven, and on or before March fifteenth, two thousand twenty-nine for eligible geothermal well system expenditures**.

3. Such application shall contain the following:

(a) The name and address of the applicant and the location of the solar electric generating system**, geothermal well system** or the electric energy storage equipment.

(b) Proof that the applicant received all required certifications, permits and other approvals to construct the solar electric generating system**, geothermal well system** or the electric energy storage equipment.

(c) Certifications in a form prescribed by a designated agency, from an architect, engineer or other certified or licensed professional whom a designated agency designates by rule, that (i) a solar electric generating system**, geothermal well system** or electric energy storage equipment has been placed in service in connection with an eligible building in accordance with this title, the rules promulgated hereunder, and local construction and fire codes, and (ii) if the solar electric generating system**, geothermal well system** or electric energy storage equipment has been placed on the roof of a building or other structure, that a structural analysis has been performed establishing that such building or structure can sustain the load of such solar electric generating system**, geothermal well system** or electric energy storage equipment. All certifications required by this title or the rules promulgated hereunder shall set forth the specific findings upon which the certification is

based, and shall include information sufficient to identify the eligible building, the certifying engineer, architect or other professional, and such other information as may be prescribed by a designated agency.

(d) An agreement to permit a designated agency or its designee to inspect the solar electric generating system**, geothermal well system** or electric energy storage equipment and any related structures and equipment upon reasonable notice.

(e) Any other information or certifications required by a designated agency pursuant to this title and the rules promulgated hereunder.

§ 5. Subdivision 1 of section 499-dddd of the real property tax law, as amended by chapter 412 of the laws of 2018, is amended to read as follows:

1. continuing compliance during the compliance period with all applicable provisions of law, including without limitation the local construction and fire codes, maintaining the solar electric generating system or electric energy storage equipment in such a manner that it continuously constitutes a solar electric generating system**, geothermal well system** or electric energy storage equipment within the meaning of this title and the rules promulgated hereunder, and permitting a designated agency or its designee to inspect the solar electric generating system**, geothermal well system** or electric energy storage equipment and any related structures and equipment upon reasonable notice; and

§ 6. Paragraphs (c) and (d) of subdivision 1 of section 499-eeee of the real property tax law, as amended by chapter 412 of the laws of 2018, are amended to read as follows:

(c) the solar electric generating system**, geothermal well system** or electric energy storage equipment for which a tax abatement was granted has at any time during the compliance period failed to meet any requirement for a solar electric generating system**, geothermal well system** or electric energy storage equipment pursuant to this title or any rule promulgated hereunder;

(d) the solar electric generating system**, geothermal well system** or electric energy storage equipment has become a fire or safety hazard at any time during the compliance period; or

§ 7. Paragraphs (b), (c) and (d) of subdivision 2 of section 499-ffff of the real property tax law, as amended by chapter 412 of the laws of 2018, are amended to read as follows:

(b) to inspect solar electric generating systems**, geothermal well systems** or electric energy storage equipment and any related structures and equipment;

(c) to establish permit or certification requirements to determine when the solar electric generating system**, geothermal well system** or electric energy storage equipment has been placed in service, such as certification by an architect, engineer or other certified or licensed professional whom a designated agency designates by rule;

(d) to establish guidance and procedures for determining or certifying eligible solar electric generating system**, geothermal well system** or electric energy storage equipment expenditures;

§ 8. This act shall take effect immediately.