STATE OF NEW YORK

7261

2025-2026 Regular Sessions

IN ASSEMBLY

March 21, 2025

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

AN ACT to amend the tax law, in relation to exempting low-emission and energy efficient vehicles from retail sales and compensating use taxes; and providing for the repeal of such provisions upon expiration thereof

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

Section 1. Subdivision (a) of section 1115 of the tax law is amended by adding a new paragraph 47 to read as follows:

(47) Low-emission and energy efficient vehicles. For purposes of this paragraph, a "low-emission and energy efficient vehicle" shall mean a vehicle certified by the administrator of the United States environmental protection agency pursuant to 23 U.S.C. § 166(f)(3). If the administrator of the United States environmental protection agency has not so certified any vehicle as a low-emission and energy efficient vehicle, then, until such certification occurs, "low-emission and energy efficient vehicle" shall mean any vehicle that has achieved an air pollution score of nine or better and a greenhouse gas score of nine or better on the green vehicle guide maintained by the United States environmental protection agency. The department shall post on its web site a list of low-emission and energy efficient vehicles by make and model year and such other specifications as may be necessary to identify a low-emission and energy efficient vehicle, and shall update such list as necessary to provide a complete list of low-emission and energy efficient vehicles. The exemptions provided by this section shall be offset by the proceeds collected from the auction of any emissions allowances for air contaminants as provided for in regulations adopted by the department of environmental conservation pursuant to article nineteen of the environmental conservation law and proceeds collected but not allocated by the New York state energy research and development authority

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

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from the auction, pursuant to regulations of such authority, of emission allowances allocated by the department of environmental conservation to such authority pursuant to regulations adopted by such department. The offset shall not exceed twenty-seven million dollars.

§ 2. This act shall take effect on the first day of the sales tax quarter that begins at least ninety days after the day on which it shall have become a law and shall expire and be deemed repealed December 31, 2028.