STATE OF NEW YORK

8028

2025-2026 Regular Sessions

IN ASSEMBLY

April 22, 2025

Introduced by M. of A. HEVESI -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to increasing the amount of the childcare center tax abatement for certain properties in a city having a population of one million or more

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

Section 1. Paragraphs (a), (b) and (c) of subdivision 2 of section 499-bbbbb of the real property tax law, as added by section 1 of part HH of chapter 59 of the laws of 2022, are amended to read as follows:

(a) **(i)** Beginning in the tax year commencing on or after July first, two thousand twenty-three, the amount of such tax abatement provided to an eligible building described in subdivision one of this section shall be equal to the costs incurred in the construction, conversion, alteration or improvement that has resulted in the creation of a premises of a childcare center or in an increase in the maximum number of children allowed on the premises of an existing childcare center, provided that such costs are certified in accordance with paragraph (d) of subdivision two of section four hundred ninety-nine-ccccc of this title, and provided further that, during the abatement period[~~,~~]**: (A)** the amount of such abatement shall not exceed thirty-five dollars for each square foot of the premises, nor exceed one hundred thousand dollars**, for a tax abatement initially taken in a tax year commencing prior to July first, two thousand twenty-five; and (B) the amount of such abatement shall not exceed thirty-five dollars for each square foot of the premises, nor exceed three hundred fifty thousand dollars, for a tax abatement initially taken in a tax year commencing on or after July first, two thousand twenty-five**.

[~~(i)~~] **(ii)** For any tax year, such abatement shall not exceed seven dollars for each square foot of the premises, provided that such amount may be reduced as a result of an allocation of available funds for such

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

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abatement pursuant to paragraph (d) of this subdivision; and provided, further, that: (A) the amount of such tax abatement in any tax year shall not exceed the lesser of [~~(A)~~] (I) twenty thousand dollars, or [~~(B)~~] (II) the real property tax liability for the eligible building in the tax year in which such tax abatement is taken, for a tax abatement initially taken in a tax year commencing prior to July first, two thousand twenty-five; and (B) the amount of a tax abatement in any tax year shall not exceed the lesser of (I) seventy thousand dollars, or (II) the real property tax liability for the eligible building in the tax year in which such tax abatement is taken, for a tax abatement initially taken in a tax year commencing on or after July first, two thousand twenty-five.

[~~(ii)~~] (iii) To the extent the amount of such tax abatement exceeds: (A) the lesser of [~~(A)~~] (I) twenty thousand dollars, or [~~(B)~~] (II) the real property tax liability of the eligible building in any tax year, for a tax abatement initially taken in a tax year commencing prior to July first, two thousand twenty-five; or (B) the lesser of (I) seventy thousand dollars, or (II) the real property tax liability of the eligible building in any tax year, for a tax abatement initially taken in a tax year commencing on or after July first, two thousand twenty-five, any amount of such tax abatement that remains may be applied to the real property tax liability of such building in succeeding tax years, provided that such abatement must be applied to the real property tax liability of such building in one or more of the four tax years succeeding the tax year in which such tax abatement was initially taken.

(b) (i) Notwithstanding paragraph (a) of this subdivision, an enhanced tax abatement shall be provided to an eligible building described in subdivision one of this section that is located within a childcare desert as described in this title and in any rules promulgated hereunder. Beginning in the tax year commencing on or after July first, two thousand twenty-three, the amount of such enhanced tax abatement shall be equal to the costs incurred in the construction, conversion, alteration or improvement that has resulted in the creation of a premises of a childcare center or in an increase in the maximum number of children allowed on the premises of an existing childcare center, provided that such costs are certified in accordance with paragraph (d) of subdivision two of section four hundred ninety-nine-ccccc of this title, and provided further that, during the abatement period[~~,~~]: (A) the amount of such abatement shall not exceed seventy-five dollars for each square foot of the premises nor exceed two hundred twenty-five thousand dollars, for a tax abatement initially taken in a tax year commencing prior to July first, two thousand twenty-five; and (B) the amount of such abatement shall not exceed seventy-five dollars for each square foot of the premises nor exceed seven hundred fifty thousand dollars, for a tax abatement initially taken in a tax year commencing on or after July first, two thousand twenty-five.

[~~(i)~~] (ii) For any tax year, such abatement shall not exceed fifteen dollars for each square foot of the premises, provided that such amount may be reduced as a result of an allocation of available funds for such abatement pursuant to paragraph (d) of this subdivision; and provided further that: (A) the amount of such enhanced tax abatement in any tax year shall not exceed the lesser of [~~(A)~~] (I) forty-five thousand dollars, or [~~(B)~~] (II) the real property tax liability for the eligible building in the tax year in which such tax abatement is taken, for a tax abatement initially taken in a tax year commencing prior to July first, two thousand twenty-five; and (B) the amount of such enhanced tax abatement in any tax year shall not exceed the lesser of (I) one hundred fifty thousand dollars, or (II) the real property tax liability for the eligible building in the tax year in which such tax abatement is taken, for a tax abatement initially taken in a tax year commencing on or after July first, two thousand twenty-five.

[~~(ii)~~] (iii) To the extent the amount of such enhanced tax abatement exceeds: (A) the lesser of [~~(A)~~] (I) forty-five thousand dollars~~,~~ or [~~(B)~~] (II) the real property tax liability of the eligible building in any tax year, for a tax abatement initially taken in a tax year commencing prior to July first, two thousand twenty-five; or (B) the lesser of (I) seventy thousand dollars, or (II) the real property tax liability of the eligible building in any tax year, for a tax abatement initially taken in a tax year commencing on or after July first, two thousand twenty-five, any amount of such tax abatement that remains may be applied to the real property tax liability of such building in succeeding tax years, provided that such abatement must be applied to the real property tax liability of such building in one or more of the four tax years succeeding the tax year in which the tax abatement was initially taken.

(c) Notwithstanding paragraph (a) or (b) of this subdivision, the aggregate amount of tax abatements authorized pursuant to this section for any tax year shall be a maximum of twenty-five million dollars. No tax abatements shall be authorized pursuant to this section for any tax year commencing on or after July first, two thousand [~~thirty~~] thirty-two.

§ 2. Subdivision 1 of section 499-ccccc of the real property tax law, as added by section 1 of part HH of chapter 59 of the laws of 2022, is amended to read as follows:

1. To obtain a tax abatement authorized by this title, an application for tax abatement shall be filed with a designated agency no later than the fifteenth of March before the tax year, commencing on the first of July, for which the tax abatement authorized by this title is sought, provided, however, that such application for tax abatement may not be filed later than March fifteenth, two thousand [~~twenty-five~~] twenty-seven.

§ 3. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after March 15, 2025.