

STATE OF NEW YORK

806

2025-2026 Regular Sessions

IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. R. CARROLL -- 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
green infrastructure tax abatement for certain properties in a city of
one million or more

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

1 Section 1. Article 4 of the real property tax law is amended by adding
2 a new title 7 to read as follows:

TITLE 7

GREEN INFRASTRUCTURE TAX ABATEMENT FOR CERTAIN PROPERTIES IN A CITY OF ONE MILLION OR MORE PERSONS

Section 499-aaaaaa. Definitions.

499-bbbbbbb. Real property tax abatement.

499-ccccccc. Application for tax abatement.

499-ddddddd. Continuing requirements.

499-eeeeeee. Revocation of tax abatement.

499-ffffff. Enforcement and administration.

499-ggggggg. Tax lien and interest.

3 § 499-aaaaaa. Definitions. When used in this title, the following
4 terms shall have the following meanings:

5 1. "Applicant" shall mean (a) with respect to an eligible building
6 held in the cooperative or condominium form of ownership, the board of
7 managers of a condominium or the board of directors of a cooperative
8 apartment corporation, or (b) with respect to any other eligible build-
9 ing, the owner of such building.

10 2. "Application for tax abatement" shall mean an application for a
11 green infrastructure tax abatement pursuant to section four hundred
12 ninety-nine-cccccc of this title.

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

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1 3. "Architect" shall mean a person licensed and registered to practice
2 the profession of architecture under the education law.

3 4. "Compliance period" shall mean the tax year in which a tax abate-
4 ment commences and the three tax years immediately thereafter.

5 5. "Department of finance" shall mean the department of finance of a
6 city having a population of one million or more persons.

7 6. "Designated agency" shall mean one or more agencies or departments
8 of a city having a population of one million or more persons that are
9 designated by the mayor of such city to exercise the functions, powers
10 and duties of a designated agency pursuant to this title.

11 7. "Eligible building" shall mean a class one or class two property as
12 defined in subdivision one of section eighteen hundred two of this chap-
13 ter, located within a city having a population of one million or more
14 persons. No building shall be eligible for more than one tax abatement
15 pursuant to this title prior to January first, two thousand twenty-six.

16 8. "Eligible green infrastructure expenditures" shall mean reasonable
17 expenditures for materials, labor costs properly allocable to on-site
18 preparation, assembly and original installation, architectural and engi-
19 neering services, and designs and plans directly related to the
20 construction or installation of a green infrastructure project installed
21 in connection with an eligible building. Such eligible expenditures
22 shall not include interest or other finance charges, or any expenditures
23 incurred using a federal, state or local grant.

24 9. "Engineer" shall mean a person licensed and registered to practice
25 the profession of engineering under the education law.

26 10. "Green infrastructure project" shall mean any project that uses
27 plant or soil systems, permeable pavement or other permeable surfaces or
28 substrates, stormwater harvest and reuse, or landscaping to store,
29 infiltrate, or evapotranspirate stormwater and reduce flows to sewer
30 systems or to surface waters. Green infrastructure shall include, but
31 shall not be limited to, rain gardens, planter boxes, and permeable
32 pavements. As used in this subdivision:

33 (a) "Rain garden" shall mean a shallow vegetated basin that collects
34 and absorbs stormwater runoff.

35 (b) "Planter box" shall mean small rain gardens with vertical walls.

36 (c) "Permeable pavement" shall mean hard surfaces that permit water to
37 seep into the ground where it falls.

38 § 499-bbbbbb. Real property tax abatement. An eligible building shall
39 receive an abatement of real property taxes as provided in this title
40 and the rules promulgated hereunder. 1. If the green infrastructure
41 project is completed and operational on or after the effective date of
42 this title, for each year of the compliance period such tax abatement
43 shall be the lesser of (i) seven and one-half percent of eligible green
44 infrastructure expenditures; (ii) the amount of taxes payable in such
45 tax year; or (iii) twenty thousand dollars.

46 2. Such tax abatement shall commence on July first following the
47 approval of an application for tax abatement by a designated agency, and
48 shall not be carried over to any subsequent tax year.

49 3. With respect to any eligible building held in the condominium form
50 of ownership that receives a tax abatement pursuant to this title, such
51 tax abatement benefits shall be apportioned among all of the condominium
52 tax lots within such eligible building.

53 4. If, as a result of application to the tax commission or a court
54 order or action by the department of finance, the billable assessed
55 value for any fiscal year in which the tax abatement is taken is reduced
56 after the assessment roll becomes final, the department of finance shall

1 recalculate the abatement so that the abatement granted shall not exceed
2 the annual tax liability as so reduced. The amount equal to the differ-
3 ence between the abatement originally granted and the abatement as so
4 recalculated shall be deducted from any refund otherwise payable or
5 remission otherwise due as a result of such reduction in billable
6 assessed value.

7 § 499-cccccc. Application for tax abatement. 1. To obtain a tax abate-
8 ment pursuant to this title, an applicant shall file an application for
9 tax abatement, which may be filed on or after January first, two thou-
10 sand twenty-six.

11 2. Such application shall be filed with a designated agency no later
12 than the March fifteenth before the first tax year, beginning July
13 first, for which the tax abatement is sought.

14 3. (a) Such application shall contain the following:

15 (i) the name and address of the applicant and the location of the
16 green infrastructure project;

17 (ii) proof that the applicant received all required certifications,
18 permits and other approvals to construct the green infrastructure
19 project;

20 (iii) certifications in a form prescribed by a designated agency, from
21 an architect, engineer or other certified or licensed professional whom
22 a designated agency designates by rule, that (1) a green infrastructure
23 project has been placed in service in connection with an eligible build-
24 ing in accordance with this title, the rules promulgated hereunder, and
25 local construction and fire codes, and (2) if the green infrastructure
26 project has been placed on the roof of a building or other structure,
27 that a structural analysis has been performed establishing that such
28 building or structure can sustain the load of such project;

29 (iv) an agreement to permit a designated agency or its designee to
30 inspect the green infrastructure project upon reasonable notice; and

31 (v) any other information or certifications required by a designated
32 agency pursuant to this title and the rules promulgated hereunder.

33 (b) All certifications required by this title or the rules promulgated
34 hereunder shall set forth the specific findings upon which the certifi-
35 cation is based, and shall include information sufficient to identify
36 the eligible building, the certifying engineer, architect or other
37 professional, and such other information as may be prescribed by a
38 designated agency.

39 4. An application for tax abatement shall be in any format prescribed
40 by a designated agency, including electronic form.

41 5. An application for tax abatement shall be approved by a designated
42 agency upon determining that the applicant has submitted proof accepta-
43 ble to such agency that the requirements for obtaining a tax abatement
44 pursuant to this title and the rules promulgated hereunder have been
45 met. The burden of proof shall be on the applicant to show by clear and
46 convincing evidence that the requirements for granting a tax abatement
47 have been satisfied.

48 6. Upon notification from a designated agency that an application for
49 tax abatement has been approved, the department of finance shall apply
50 the tax abatement, provided there are no outstanding real estate taxes,
51 water and sewer charges, payments in lieu of taxes or other municipal
52 charges with respect to the eligible building.

53 § 499-dddddd. Continuing requirements. The tax abatement shall be
54 conditioned upon:

55 1. continuing compliance during the compliance period with all appli-
56 cable provisions of law, including without limitation the local

1 construction and fire codes, maintaining the green infrastructure
2 project in such a manner that it continuously constitutes such project
3 within the meaning of this title and the rules promulgated hereunder,
4 and permitting a designated agency or its designee to inspect the
5 project and any related structures and project upon reasonable notice;
6 and

7 2. real estate taxes, water and sewer charges, payments in lieu of
8 taxes or other municipal charges with respect to an eligible building
9 not having been due and owing during the compliance period for a period
10 of six months or more.

11 § 499-eeeeee. Revocation of tax abatement. 1. The department of
12 finance shall revoke, in whole or in part, any tax abatement granted
13 pursuant to this title whenever a designated agency has determined and
14 notified the department of finance that:

15 (a) an applicant has failed to comply with a requirement of this title
16 or any rule promulgated hereunder at any time during the compliance
17 period, including without limitation any of the continuing requirements
18 set forth in subdivision one of section four hundred ninety-nine-dddddd
19 of this title;

20 (b) an eligible building has not been in compliance at any time during
21 the compliance period with a requirement of this title or any rule
22 promulgated hereunder;

23 (c) the green infrastructure project for which a tax abatement was
24 granted has at any time during the compliance period failed to meet any
25 requirement for such project pursuant to this title or any rule promul-
26 gated hereunder;

27 (d) the green infrastructure project has become a fire or safety
28 hazard at any time during the compliance period; or

29 (e) an application, certification, report or other document submitted
30 by the applicant contains a false or misleading statement as to a mate-
31 rial fact or omits to state any material fact necessary in order to make
32 the statement therein not false or misleading.

33 2. The department of finance may revoke, in whole or in part, any tax
34 abatement granted pursuant to this title whenever it has determined that
35 an applicant has failed to comply with the continuing requirement set
36 forth in subdivision two of section four hundred ninety-nine-dddddd of
37 this title.

38 3. Where it has been determined by a designated agency, after notice
39 and an opportunity to be heard, that any of the provisions of subdivi-
40 sion one of this section have not been complied with, such designated
41 agency shall so notify the department of finance no later than the nine-
42 tieth day after the last day of the compliance period.

43 4. An applicant shall pay, with interest, such part of any tax abate-
44 ment received pursuant to this title that represents the period of non-
45 compliance as determined by the designated agency or the department of
46 finance, as the case may be. In addition, a designated agency may
47 declare any applicant ineligible for future tax abatement pursuant to
48 this title if any application, certification, report or other document
49 submitted by the applicant contains a false or misleading statement as
50 to a material fact or omits to state any material fact necessary in
51 order to make the statement therein not false or misleading.

52 § 499-ffffff. Enforcement and administration. 1. The department of
53 finance shall have, in addition to any other functions, powers and
54 duties that have been or may be conferred on it by law, the following
55 functions, powers and duties to be exercised in accordance with this
56 title:

- 1 (a) to apply a tax abatement;
- 2 (b) to revoke all or part of any such tax abatement;
- 3 (c) to make and promulgate rules to carry out the purposes of this
- 4 title; and
- 5 (d) any other function, power or duty necessarily implied by this
- 6 title.

7 2. A designated agency shall have, in addition to any other functions,
 8 powers and duties that have been or may be conferred on it by law, the
 9 following functions, powers and duties to be exercised in accordance
 10 with this title:

- 11 (a) to receive, review, approve and deny applications for tax abate-
- 12 ment;
- 13 (b) to inspect green infrastructure projects;
- 14 (c) to establish permit or certification requirements to determine
- 15 when the green infrastructure project has been placed in service, such
- 16 as certification by an architect, engineer or other certified or
- 17 licensed professional whom a designated agency designates by rule;
- 18 (d) to establish guidance and procedures for determining or certifying
- 19 eligible green infrastructure project expenditures;
- 20 (e) to prescribe forms and make and promulgate rules to carry out the
- 21 purposes of this title;
- 22 (f) to make the determinations provided for in sections four hundred
- 23 ninety-nine-cccccc and four hundred ninety-nine-eeeeee of this title and
- 24 to notify the department of finance of such determinations; and
- 25 (g) any other function, power or duty necessarily implied by this
- 26 title.

27 3. If a designated agency determines that an architect or engineer or
 28 other certified or licensed professional whom a designated agency desig-
 29 nates by rule, in making any certification under this title or any rule
 30 promulgated hereunder, engaged in professional misconduct, then such
 31 department shall so inform the education department or other appropriate
 32 certifying or licensing authority.

33 4. A designated agency may provide for reasonable administrative
 34 charges or fees necessary to defray expenses of administering the tax
 35 abatement program established by this title.

36 5. A designated agency and the department of finance shall establish
 37 procedures that are necessary or appropriate for (a) the timely notifi-
 38 cation to the department of finance by a designated agency of an
 39 approval of an application for tax abatement or of any noncompliance
 40 pursuant to section four hundred ninety-nine-eeeeee of this title and
 41 (b) any other interagency coordination to facilitate the purposes of
 42 this title.

43 § 499-gggggg. Tax lien and interest. All taxes, with interest,
 44 required to be paid retroactively pursuant to this title shall consti-
 45 tute a tax lien as of the date it is determined such taxes and interest
 46 are owed. All interest shall be calculated from the date the taxes would
 47 have been due but for the tax abatement granted pursuant to this title
 48 at the applicable rate or rates of interest imposed generally for non-
 49 payment of real property tax with respect to the eligible building for
 50 the period in question.

51 § 2. This act shall take effect immediately.