STATE OF NEW YORK

3411

2025-2026 Regular Sessions

IN SENATE

January 27, 2025

Introduced by Sens. COMRIE, ADDABBO, BAILEY, HOYLMAN-SIGAL, MYRIE, PERSAUD, SEPULVEDA -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to providing tax credits for the installation of fire sprinkler systems

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

Section 1. Section 606 of the tax law is amended by adding a new subsection (bbb) to read as follows:

(bbb) Fire sprinkler tax credit for residential properties. (1) Allowance of credit. A taxpayer who is a residential property owner shall be allowed a credit, to be computed as hereinafter provided, against the tax imposed by this article. The amount of the credit shall be equal to twenty-five percent of the cost of the labor and materials needed to install sprinkler systems as defined by section one hundred fifty-five-a of the executive law, by the residential property owner, provided, however, that this subsection shall apply only to residential properties in municipalities that do not already require fire sprinkler systems be installed.

(2) Credit limitation. The amount of the credit that may be claimed by a taxpayer pursuant to this subsection shall not exceed five thousand dollars in any given year.

(3) Application of credit. If the amount of the credit allowed under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

§ 2. Section 210-B of the tax law is amended by adding a new subdivision 61 to read as follows:

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

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61. Fire sprinkler tax credit for residential properties. (1) Allowance of credit. A taxpayer who is a residential property owner shall be allowed a credit, to be computed as hereinafter provided, against the tax imposed by this article. The amount of the credit shall be equal to twenty-five percent of the cost of the labor and materials needed to install sprinkler systems as defined by section one hundred fifty-five-a of the executive law, by the residential property owner, provided, however, that this subdivision shall apply only to residential properties in municipalities that do not already require fire sprinkler systems be installed.

(2) Credit limitation. The amount of the credit that may be claimed by a taxpayer pursuant to this subdivision shall not exceed five thousand dollars in any given year.

(3) Application of credit. The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the fixed dollar minimum amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this chapter. However, if the amount of credits allowed under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

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