

STATE OF NEW YORK

6670

2025-2026 Regular Sessions

IN SENATE

March 19, 2025

Introduced by Sens. JACKSON, GALLIVAN, HOYLMAN-SIGAL, LIU, MAY, PARKER
-- 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 exempting the sale of the
first thirty-five thousand dollars of a battery, electric, or plug-in
hybrid electric vehicle from state sales and compensating use taxes,
and to authorize cities and counties to elect such exemption

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

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

3 (47) (i) Half of the receipts from the first thirty-five thousand
4 dollars of the retail sale or lease of a new battery, electric, or plug-
5 in hybrid electric vehicle. For purposes of this paragraph the term
6 "battery, electric, or plug-in hybrid electric vehicle" means a motor
7 vehicle, as defined in section one hundred twenty-five of the vehicle
8 and traffic law, that:

9 (A) has four wheels;

10 (B) was manufactured for use primarily on public streets, roads and
11 highways;

12 (C) the powertrain of which has not been modified from the original
13 manufacturer's specifications;

14 (D) is rated at not more than eight thousand five hundred pounds gross
15 vehicle weight, or is a school bus, as defined in section one hundred
16 forty-two of the vehicle and traffic law;

17 (E) has a maximum speed capability of at least fifty-five miles per
18 hour; and

19 (F) is propelled at least in part by an electronic motor and associ-
20 ated power electronics which provide acceleration torque to the drive
21 wheels sometime during normal vehicle operation, and that draws elec-
22 tricity from a battery that:

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

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1 (I) has a capacity of not less than four kilowatt hours; and
2 (II) is capable of being recharged from an external source of elec-
3 tricity.

4 (ii) All of the receipts from the first thirty-five thousand dollars
5 of the retail sale or lease of a new battery, electric, or plug-in
6 hybrid electric vehicle, where such vehicle is assembled in the United
7 States utilizing union labor.

8 § 2. Section 1160 of the tax law is amended by adding a new subdivi-
9 sion (d) to read as follows:

10 (d) The new battery, electric, or plug-in hybrid electric vehicles
11 exemption provided for in paragraph forty-seven of subdivision (a) of
12 section eleven hundred fifteen of this chapter shall not apply to or
13 limit the imposition of the tax imposed pursuant to this article.

14 § 3. Subparagraph (ii) of paragraph 1 of subdivision (a) of section
15 1210 of the tax law, as amended by section 5 of part J of chapter 59 of
16 the laws of 2021, is amended to read as follows:

17 (ii) Any local law, ordinance or resolution enacted by any city, coun-
18 ty or school district, imposing the taxes authorized by this subdivi-
19 sion, shall omit the residential solar energy systems equipment and
20 electricity exemption provided for in subdivision (ee), the commercial
21 solar energy systems equipment and electricity exemption provided for in
22 subdivision (ii), the commercial fuel cell electricity generating
23 systems equipment and electricity generated by such equipment exemption
24 provided for in subdivision (kk) ~~[and]~~, the clothing and footwear
25 exemption provided for in paragraph thirty of subdivision (a) of section
26 eleven hundred fifteen of this chapter, and the battery, electric, or
27 plug-in hybrid electric vehicle exemption provided for in paragraph
28 forty-seven of subdivision (a) of section eleven hundred fifteen of this
29 chapter unless such city, county or school district elects otherwise as
30 to such residential solar energy systems equipment and electricity
31 exemption, such commercial solar energy systems equipment and electric-
32 ity exemption, commercial fuel cell electricity generating systems
33 equipment and electricity generated by such equipment exemption ~~[or]~~,
34 such clothing and footwear exemption, or such battery, electric, or
35 plug-in hybrid electric vehicle exemption provided for in paragraph
36 forty-seven of subdivision (a) of section eleven hundred fifteen of this
37 chapter.

38 § 4. Paragraph 47 of subdivision (a) of section 1115 of the tax law,
39 as added by section one of this act, is amended to read as follows:

40 (47) (i) Half of the receipts from the first thirty-five thousand
41 dollars of the retail sale or lease of a new battery~~[~~ or electric~~, or~~
42 ~~plug-in hybrid electric]~~ vehicle. For purposes of this paragraph the
43 term "battery~~[~~ or electric~~, or plug-in hybrid electric]~~ vehicle"
44 means a motor vehicle, as defined in section one hundred twenty-five of
45 the vehicle and traffic law, that:

46 (A) has four wheels;

47 (B) was manufactured for use primarily on public streets, roads and
48 highways;

49 (C) the powertrain of which has not been modified from the original
50 manufacturer's specifications;

51 (D) is rated at not more than eight thousand five hundred pounds gross
52 vehicle weight, or is a school bus, as defined in section one hundred
53 forty-two of the vehicle and traffic law;

54 (E) has a maximum speed capability of at least fifty-five miles per
55 hour; and

(F) is propelled [~~at least in part~~] by an electronic motor and associated power electronics which provide acceleration torque to the drive wheels sometime during normal vehicle operation, and that draws electricity from a battery that:

(I) has a capacity of not less than four kilowatt hours; and

(II) is capable of being recharged from an external source of electricity.

(ii) All of the receipts from the first thirty-five thousand dollars of the retail sale or lease of a new battery[, ~~or electric[, ~~or plug-in hybrid electric~~~~] vehicle, where such vehicle is assembled in the United States utilizing union labor.

§ 5. Subdivision (d) of section 1160 of the tax law, as added by section two of this act, is amended to read as follows:

(d) The new battery[, ~~or electric[, ~~or plug-in hybrid electric~~~~] vehicles exemption provided for in paragraph forty-seven of subdivision (a) of section eleven hundred fifteen of this chapter shall not apply to or limit the imposition of the tax imposed pursuant to this article.

§ 6. Subparagraph (ii) of paragraph 1 of subdivision (a) of section 1210 of the tax law, as amended by section three of this act, is amended to read as follows:

(ii) Any local law, ordinance or resolution enacted by any city, county or school district, imposing the taxes authorized by this subdivision, shall omit the residential solar energy systems equipment and electricity exemption provided for in subdivision (ee), the commercial solar energy systems equipment and electricity exemption provided for in subdivision (ii), the commercial fuel cell electricity generating systems equipment and electricity generated by such equipment exemption provided for in subdivision (kk), the clothing and footwear exemption provided for in paragraph thirty of subdivision (a) of section eleven hundred fifteen of this chapter, and the battery[, ~~or electric[, ~~or plug-in hybrid electric~~~~] vehicle exemption provided for in paragraph forty-seven of subdivision (a) of section eleven hundred fifteen of this chapter unless such city, county or school district elects otherwise as to such residential solar energy systems equipment and electricity exemption, such commercial solar energy systems equipment and electricity exemption, commercial fuel cell electricity generating systems equipment and electricity generated by such equipment exemption, such clothing and footwear exemption, or such battery[, ~~or electric[, ~~or plug-in hybrid electric~~~~] vehicle exemption provided for in paragraph forty-seven of subdivision (a) of section eleven hundred fifteen of this chapter.

§ 7. This act shall take effect on the first day of a sales tax quarterly period, as described in subdivision (b) of section 1136 of the tax law, beginning at least one hundred twenty days after the date this act shall have become a law and shall apply to sales made on or after such date; provided, however, that sections four, five and six of this act shall take effect ten years after such effective date and shall apply to sales made on and after such date.