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

*(A) has four wheels;*

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

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

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

*(E) has a maximum speed capability of at least fifty-five miles per 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:*

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

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(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, electric, or plug-in hybrid electric vehicle, where such vehicle is assembled in the United States utilizing union labor.

§ 2. Section 1160 of the tax law is amended by adding a new subdivision (d) to read as follows:

(d) The new battery, 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.

§ 3. Subparagraph (ii) of paragraph 1 of subdivision (a) of section 1210 of the tax law, as amended by section 5 of part J of chapter 59 of the laws of 2021, 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) [~~and~~], the clothing and footwear exemption provided for in paragraph thirty of subdivision (a) of section eleven hundred fifteen of this chapter, and the battery, 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 [~~or~~], such clothing and footwear exemption, or such battery, 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.

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

(47) (i) Half 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. For purposes of this paragraph the term "battery[~~,~~] or electric[~~, or plug-in hybrid electric~~] vehicle" means a motor vehicle, as defined in section one hundred twenty-five of the vehicle and traffic law, that:

(A) has four wheels;

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

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

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

(E) has a maximum speed capability of at least fifty-five miles per 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.