STATE OF NEW YORK

9571

IN SENATE

March 25, 2026

Introduced by Sen. KAVANAGH -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the public housing law, in relation to permitting multiple transfers of low-income housing tax credits

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

Section 1. Subdivision 1 and paragraph (a) of subdivision 8 of section 22 of the public housing law, subdivision 1 as amended by section 1 and paragraph (a) of subdivision 8 as added by section 2 of part PP of chapter 59 of the laws of 2018, are amended to read as follows:

1. A taxpayer subject to tax under article nine-A, twenty-two, or thirty-three of the tax law which owns an interest in one or more eligible low-income buildings, or [~~a transferee~~] **one or more transferees** of such a taxpayer as described in subdivision eight of this section, shall be allowed a credit against such tax for the amount of low-income housing credit allocated by the commissioner to each such building. Except as provided in subdivision two of this section, the credit amount so allocated shall be allowed as a credit against the tax for the ten taxable years in the credit period.

(a) A taxpayer allowed a credit pursuant to this article may transfer the credit, in whole or in part, to another person or entity, who shall be referred to as the transferee, without regard to how any federal low-income housing tax credit with respect to the low-income building may be allocated and notwithstanding that such other person or entity owns no interest in the eligible low-income building or in an entity with an ownership interest in the eligible low-income building. Transferees shall be entitled to apply transferred credit to a tax imposed under article nine-A, twenty-two or thirty-three of the tax law, provided all requirements for claiming the credit are met. A transferee may [~~not~~] transfer [~~any~~] **all or a portion of a** credit[~~, or portion thereof, acquired~~] **received** by transfer **to another person or entity, subject to approval by the agency and in accordance with rules promulgated by the agency, provided that each transfer is properly documented and does**

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

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not affect the eligibility of the underlying low-income housing project for program benefits.

§ 2. This act shall take effect immediately and shall apply to any low-income housing tax credit allocated under article 2-A of the public housing law, whether allocated before, on, or after such effective date, including credits associated with projects that have been placed in service, are under construction, or are in pre-development, provided that any transfer occurring on or after the effective date shall comply with the provisions of paragraph (a) of subdivision 8 of section 22 of the public housing law, as amended by section one of this act.