



NEW YORK STATE SENATOR

Frank Padavan

## Governor Signs NYC Property Tax Abatement For Renewable Energy Source Bill

FRANK PADAVAN August 12, 2008

New York State Senator Frank Padavan (Queens) announced today that Governor Paterson has signed into law his legislation that will provide incentives for New York City residents and business to install and use solar power on their property.

“As energy prices continue to soar, the enactment of this legislation underscores the importance of taking the necessary steps toward developing a long-term alternative and renewable energy plan on the state level.” Padavan said. “This property tax abatement provides an incentive for City homeowners and businesses to invest in cleaner, efficient and cost effective solar power.”

The bill (S.8145) provides a four-year property tax abatement for the construction and installation of a solar generating system for class one (residential), class two (condominiums/cooperatives) and class four (commercial) properties within the five boroughs.

The amount of the property tax abatement a taxpayer can receive depends on when the system becomes operational. If the solar electric generating system is in service before January 1, 2011 the amount of the property tax abatement would be 8 ¾ percent of eligible expenditures in each of the four years of the compliance period. If the system is placed into

service between January 1, 2011 and January 1, 2013 the amount of the property tax abatement would be 5 percent over the four year period.

The new law defines “eligible solar generating system expenditure” as reasonable expenditures for materials, certain labor costs, assembly and original installation, architectural and design service and plans related to the construction or installation of the solar electric generating system.

The property tax abatement for solar electric generating systems is a key part of Mayor Bloomberg’s PLANYC 2030 and is supported by the Campaign for New York’s Future.

“The enactment of this legislation is a significant step in the right direction for the City of New York and is a perfect example of initiatives that will serve as the foundation for our economic and environmental future,” Padavan said.

Prior to the enactment of this legislation, existing state law provides for a personal income tax credit for individuals who purchase solar energy technology for residential use.