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**SFY 2025-26 Final Budget
Tax/Revenue Budget Summary**

Location in Budget Revenue Art 7	Proposal	Description of Executive Proposal	Executive Proposal Savings/Costs	Assembly One House	Senate One House	Final Budget
Part A	Inflation Refund	Specifically, taxpayers who filed 2023 resident tax returns as married filing jointly or qualifying surviving spouse, and whose 2023 New York adjusted gross income was \$300,000 or less, would receive a \$500 credit in 2025. Taxpayers who filed 2023 resident tax returns as single, married filing separately, or head of household, and whose 2023 New York adjusted gross	Decrease All Funds revenue by \$3.08 billion in FY 2026.	Accepts	Modifies to enact a one-time Senior Inflation Refund Credit – Spreads over three years (income limits under \$150,000 single/ \$300,000 married)	Accept

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		income was \$150,000 or less, would receive a \$300 credit in 2025.				
Part B	Middle-class tax cut and extend the temporary PIT high income surcharge for five years.	<p>The bill would reduce the tax rates paid by married couples with incomes up to \$323,200 who file jointly, for heads of households with incomes up to \$269,300, and for single taxpayers and married taxpayers who file separately with incomes up to \$215,400. The tax rates would be reduced in two phases: an initial rate cut applicable for tax year 2025 and a second rate cut beginning in tax year 2026.</p> <p>Chapter 59 of the Laws of 2022 phased out the PIT temporary high-income surcharge for tax years beginning after 2027. This bill would extend the surcharge through tax year 2032.</p>	All funds revenue will be reduced by \$458 million in FY 2026, \$1.115 billion in FY 2027, \$35 million in FY 2028, and increased by \$2.56 billion in FY 2029 and \$3.972 billion in FY 2030.	Modifies to provide a phased-in 0.2 percent tax cut for certain taxpayers with incomes below \$323,200, to instead provide an immediate 1 percent tax cut. Additionally, the Assembly modifies the Executive proposal to extend the current PIT Surcharge for high-income earners for an additional five years, through tax year 2032, by increasing the tax rates on such high-income earners	Modifies to provide middle-class tax cut and extends PIT surcharge for 5 years increasing the top tax by .05 percent.	Accepts

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Part C	Enhance the Empire State Child Credit by expanding credit eligibility and increasing the credit amounts allowed for tax years 2025, 2026, and 2027.	Increase the Empire State Child Credits allowed for tax years 2025, 2026, and 2027. Specifically, a taxpayer would be allowed a refundable credit of \$1,000 for each qualifying child under the age of four in tax years 2025, 2026 and 2027. Additionally, a taxpayer would be allowed a refundable credit of \$330 for each qualifying child who is four years of age and not yet age seventeen in 2025, and \$500 for each such qualifying child in 2026 and 2027. This bill would also expand eligibility to additional taxpayers in tax years 2025, 2026, and 2027.	Decrease All Funds revenue by \$471 million in FY 2026 and \$825 million in FY 2027 and FY 2028.	Modifies the Executive proposal to provide a three-year phased-in enhancement to the Child Tax Credit, to instead provide the full benefits immediately for Tax Year 2025.	Replaces with a Working Families Tax Credit (S.2082) and adds language increasing the Earned Income Tax Credit for single adults.	Accepts
Part D	Increase the State Low-Income Housing Tax Credit (SLIHC) statewide allocation limit for each year from 2025 through 2029, doubling the	Laws of 2021 and 2022 increased the SLIHC statewide allocation limit by \$15 million for each year from 2022 to 2025. This bill doubles those increases for each year from 2025 through 2029, raising the allocation increase to \$30 million per year through 2029. This bill further clarifies that refunded bonds can be paired with SLIHC at the same 9%	Reduce Financial Plan revenues by \$15 million in FY 2027, \$45 million in FY 2028, \$75 million in FY 2029, and \$105 million in FY 2030.	Accepts	Accepts	Accepts

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	amount of the year-over-year increases as compared with the prior multi-year SLIHC allocation law. It further clarifies that refunded bonds can be paired with SLIHC at the same 9% rate as certain federal low-income housing tax credits.	rate as certain federal low-income housing tax credits.				
PART E	Allow taxpayers to transfer state historic tax credits to other taxpayers when approved by the Office of Parks, Recreation, and Historic Preservation (“NYS Parks”)	Would amend the sections of the Tax Law where these requirements appear to allow the recipient of the state historic tax credit to transfer the credit, in whole or in part, to another person or entity so long as such transfer is approved by the NYS Parks Commissioner, regardless of how the federal credit is allocated. This bill would also exempt from the law’s census tract limitations	No impact	Modifies to include annual reporting requirements.	Amends to replace transferability language with (S.2124) and expands the use of the credit for affordable housing.	Accepts

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	and remove geographic limitations for the location of affordable housing projects supported by the state historic tax credit.	any affordable housing project subject to at least a thirty-year regulatory agreement, in addition to the existing exemption for projects located within land under NYS Parks' jurisdiction.				
PART F	Waiting Period Restriction and Limit Deductions on Institutional Real Estate Investors	This bill would prohibit certain institutional investors from seeking to buy a single- or two-family home unless it has been on the market for at least 75 days and would prohibit institutional investors from claiming interest and depreciation deductions with regard to one- and two-family homes.	Increase annual business tax revenue by \$6 million in FY 2027, 2028, and 2029	Modifies by increasing the waiting period from 75 days to 90 days; decreases the threshold as to what constitutes an institutional real estate investor to \$5 million; adds language to ensure LLCs are captured along with any subsidiaries of institutional real estate investors; requires the	Imposes a waiting period restriction and a limit on deductions on institutional real estate investors by including clarifying language that mortgage is not captured	Accepts

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				Attorney General to receive compliance forms and provide that forms shall be filed with the county clerk's office upon completion of the sale; establishes a 10% fee of the final purchase price; and provides that when the Department of State adopts a cease and desist zone applicable to real estate sales solicitations, all owners of residential real property located in the zone shall be placed on the Cease and Desist list with an option to opt-out of such list.		

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PART G	Create a new statewide economic development program, the Companies Attracting Talent to Advance Leading Innovations and Scale Technologies in New York Program, to be known as the “CATALIST NY Program	Small businesses participating in CATALIST NY would gain a competitive advantage in job creation by offering reduced personal income tax rates to their new hires, supporting their growth during crucial expansion phases	No impact	Omits	Omits	Accepts
PART H	Extend and Amend the Excelsior Jobs Program	Extend the existing excelsior jobs program for ten years, from 2029 to 2039. Additionally, this bill would provide for enhancements to the program to (1) provide for enhanced excelsior benefits for semiconductor supply chain businesses; (2) create two new programs known as the semiconductor research and development project program and the semiconductor	No impact	Modifies the Executive proposal by: <ul style="list-style-type: none"> • extending the program for five years instead of ten; • rejecting the language to establish a new Semiconductor Manufacturing 	Shortens the program to 5 years, requires a job plan for new semiconductor research programs, expands training and reporting requirements, and extends the credit period for business using	Accepts

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		manufacturing workforce training incentive program; (3) extends the existing excelsior jobs program; and (4) sunsets the employee training incentive program		<p>Workforce Training program, and instead maintain, and include semiconductor manufacturing projects, in the existing Employee Training Incentive program;</p> <ul style="list-style-type: none"> • add additional eligibility requirements for a semiconductor supply chain project and a semiconductor manufacturing project; and • clarify that a certain amount of jobs must be maintained under the Jobs Retention Tax 	the Jobs Retention Tax Credit Program.	

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				Credit Program.		
PART I	Extend and Amend the Film Tax Credit	For initial applications submitted after January 1, 2025, the existing payout tier structure will be eliminated. The bill establishes a new “production plus” initiative designed to attract recurring business and multiple productions to New York State. Further, the bill removes some restrictions on the above-the-line cost caps in the film production program and modifies the criteria for qualified independent film production companies. It introduces a formal definition for loan out companies and mandates a 6.85% withholding requirement on all payments made to these entities.	Decrease business tax revenue by \$111 million in FY 2027, \$115 million in FY 2028, and \$115 million in FY 2029	Modifies by not including the proposal to allow above-the-line expenses to be calculated within the post-production credit, as well as the language to mandate a 6.85% withholding tax requirement on all payments made to a loan-out company.	Modifies by rejecting changes regarding loan-out companies, rejecting including above-the-line expenses in the post-production program, accepting a new program for independent films but limiting it to actually independent products, and includes language to encourage the use of New York musicians in scoring films.	Accepts
PART J	Make a Technical Change to the Newspaper and Broadcast	In defining “independently owned,” last year’s bill erroneously restricted the credit so that parent, subsidiary, and affiliate companies were all subject to one credit limitation.	No impact	Accepts	Omits	Accepted

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	Media Jobs Program	For example, if a parent corporation had 3 subsidiaries, the \$300,000 credit cap under COM § 495(3) would apply to the parent and all subsidiaries as a whole; each subsidiary would not be eligible for its own \$300,000 credit cap				
PART K	Amend the Digital Gaming Media Production Credit Program	This bill would provide that any unused amount of the empire state digital gaming media production credit allocated for a given year would be carried over and added to the aggregate amount of credits allowed in subsequent years.	No impact	Accepts	Amends to change eligibility criteria	Accepts
PART L	Extend the New York City Musical and Theatrical Production Credit for Two Years	This bill would extend the New York City musical and theatrical production credit for two years through tax year 2027 and increase the aggregate available under the program for the next two years by \$100 million.	No impact in FY 2026 or 2027, but would decrease business tax revenue by \$50 million in FY 2028 and \$50 million in FY 2029	Accepts	Extends for 2 years	Accepts
PART M	Clarify Taxpayer Notification	This bill would amend the Tax Law to clarify that the protest rights afforded to taxpayers are the same whether the taxpayer	No impact	Accepts	Accepts	Accepts

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	and Protest Rights	is informed via electronic communications or mailed communications.				
PART N	Improve the Tax Warrant Process	This bill would amend the Tax Law to authorize the Tax Department to file all tax warrants and warrant-related records at the Department of State (DOS) to effect liens and judgments against the real, personal, and other property of tax debtors, while requiring the Tax Department to file a copy of any warrant and/or warrant-related records with the clerk of the county named in the warrant.	No impact	Accepts	Accepts	Accepts
PART O	Simplify the STAR Income Definition	This bill would simplify the income and age eligibility rules for the STAR exemption and STAR credit programs. The bill would also make eligibility determinations, and the process to protest those determinations, consistent for all variations of the STAR program	Increase Financial Plan costs by \$9 million starting in FY 2027.	Accepts	Accepts	Accepts
PART P	Eliminate Duplicative IDA Sales Tax Exemption	This bill would eliminate the requirement for agents and project operators appointed by Industrial Development Agencies and Authorities	No impact	Omits	Omits	Omits

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	Reporting Requirement	(IDAs) to file form ST-340, Annual Report of Sales and Use Tax Exemptions Claimed by Agent/Project Operator of Industrial Development Agency/Authority (IDA) with the Tax Department.				
PART Q	Enact Pass Through Entity Tax Flexibility	This bill would change the deadline for qualifying entities to elect to pay the Pass-Through Entity Tax (PTET) and the New York City Pass-Through Entity Tax (NYC PTET) from March 15th to September 15th of a given tax year. The bill would also make corresponding changes to the estimated payment deadlines.	Decrease business tax revenue by \$3.045 billion in FY 2026	Omits	Omits	Omit
PART R	Increase the Article 9-A Estimated Tax Threshold	This bill would increase the threshold at which corporation tax filers are required to make estimated tax payments, from \$1,000 to \$5,000.	Decrease business tax revenue by \$84 million in FY 2026 and \$144 million in FY 2027	Modifies to clarify that this would apply to tax years beginning 1/1/2026	Accepts	Accepts
PART S	This bill would create an organ donation tax credit for taxpayers that, while living,	This bill would create an organ donation tax credit and would allow full-year resident taxpayers a refundable tax credit for unreimbursed expenses related to the	No impact in FY 2026, but would decrease annual business tax revenue by \$1 million in FY	Accepts	Accepts	Accepts

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	donate one or more human organs for human organ transplantation.	transplant including: (i) travel expenses; (ii) lodging expenses; and (iii) lost wages, not to exceed \$10,000, in the tax year in which the living human organ transplantation occurs.	2027, FY 2028, and FY 2029			
PART T	Make Permanent the Estate Tax Three-Year Gift Addback Rule	make permanent the provision that requires gifts that are taxable for federal gift tax purposes and are made within three years of an individual's date of death to be included when calculating the decedent's New York gross estate.	No impact	Modifies to instead extend such provisions for six years.	Modifies to include language making add-backs deductibles debt for federal estate purposes	Accepts
PART U	Expand the Credit for Employment of Persons with Disabilities	This bill would increase the available tax credit for employers who employ persons with disabilities.	No impact in FY 2026, but would decrease annual business tax revenue by \$2 million in FY 2027, FY 2028, and FY 2029	Accepts	Accepts	Accepts
PART V	Reporting of Federal Partnership Adjustments	This bill would amend the Tax Law to establish reporting requirements for federal partnership audit changes and administrative adjustment requests made pursuant to the federal centralized partnership audit regime established by the Bipartisan Budget Act of 2015.	No impact	Modifies by making a technical clarification	Omits	Accepts

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PART W	Eliminate NYC PIT for Certain Filers	This bill would amend the Tax Law, establishing a credit against the tax on the personal income of certain NYC residents.	Would not affect All Funds revenue	Accepts	Accepts	Accepts
PART X	Amend the NYC Relocation and Employment Assistance Program	This bill would amend the General City Law, enabling New York City to raise tax revenue. It would also amend the Administrative Code of the City of New York to authorize credits for relocation and employment assistance and make available relocation assistance credits per employees.	No impact	Omits	Omits	Omit
PART Y	Extend the Clean Heating Fuel Credit for Three Years	The bill would extend the clean heating fuel credit available to taxpayers under Articles 9, 9-A, and 22 of the Tax Law for purchases of bioheating fuel for residential purposes before January 1, 2029. The credit is equal to \$.01 per percent of the biodiesel fuel, not to exceed 20 cents per gallon, purchased by the taxpayer.	No impact in FY 2026 or 2027, but would decrease business tax revenue by \$5 million in FY 2028 and \$5 million in FY 2029	Accepts	Accepts	Accept
PART Z	Extend the Alternative Fuels and Electric	This bill would allow taxpayers under Articles 9, 9-A, and 22 of the Tax Law to continue to be eligible for a credit for	No impact in FY 2026 or 2027, but would decrease	Accepts	Accepts	Accept

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	Vehicle Recharging Property Credit for Three Years	alternative fuel vehicle refueling and electric vehicle recharging property placed in service through tax years beginning before January 1, 2029.	business tax revenue by \$3 million in FY 2028 and \$3 million in FY 2029			
PART AA	Extend the Sales Tax Vending Machine Exemption for One Year	Currently, purchases of up to \$1.50 of certain food or drink items from vending machines that accept only coin or currency are exempt from sales tax. Such sales from vending machines that are capable of accepting payment in a form other than coin or currency (“cashless” machines) are exempt if the sale price is \$2.00 or less, regardless of whether that vending machine also accepts coin or currency. This bill would extend the current exemption through May 31, 2026.	Decrease business tax revenue by \$8 million in FY 2026 and \$2 million in FY 2027	Accepts	Accepts	Accept
PART BB	Extend the Workers with Disabilities Tax Credit for Three Years	This bill would extend the workers with disabilities tax credit for an additional three years through tax year 2028. The credit provides tax incentives to qualified employers for employment of persons with disabilities. The	No impact in FY 2026 or 2027, but would decrease business tax revenue by \$1 million in FY 2028 and \$1	Accepts	Accepts	Accept

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		tax credit is currently available through tax year 2025.	million in FY 2029			
PART CC	Extend the Hire a Vet Credit for Three Years	This bill would extend the hire a vet tax credit provided to taxpayers under Articles 9, 9-A, and 22 for hiring qualified veterans for an additional three years. The credit would be available through tax years beginning before January 1, 2029, for veterans who begin employment before January 1, 2028	No impact in FY 2026 or 2027, but would decrease business tax revenue by \$1 million in FY 2028 and \$1 million in FY 2029	Accepts	Accepts	Accept
PART DD	Extend the Musical and Theatrical Production Credit for Four Years	This bill would extend the musical and theatrical production credit for four years through tax year 2029	No impact in FY 2026 or 2027, but would decrease business tax revenue by \$8 million in FY 2028 and \$8 million in FY 2029	Accepts	Accepts	Accept
PART EE	Extend the Financial Institution Data Match System for Five Years	This bill would extend the authority of the Commissioner of Taxation and Finance to use the financial institution data match (FIDM) system for collection of fixed and final tax debts for five years.	No impact	Accepts	Accepts	Accept

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PART FF	Amend and Simplify the Pari-Mutuel Tax Rate Structure	This bill would simplify the existing Pari-Mutuel Tax (PMT) rate structure by addressing the complexities in tax imposition, collection, and remittance, as well as distribution of monies; it would also amend the current archaic breakage rule.	No impact	Modifies by removing language replacing the existing pari-mutuel tax (PMT) structure with a simplified flat tax rate on live racing handle; removes language allowing potential future agreements between racing entities on the distribution of revenues to supersede existing provisions of law; establishes that winning bets will be rounded to the nearest five cents; and extends certain PMT provisions for one year.	Modifies by extending the pari-mutuel tax structure for one year and will study the impact of simplifying the tax structure.	Accept

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PART GG	Temporarily Extend the Lowered Casino Slot Tax Rates	This bill would extend the lowered tax rate on slot machine gross gaming revenues for each commercial casino in Zone Two from April 1, 2026 through June 30, 2028, if certain conditions are met.	No impact in FY 2026, but would decrease tax revenue by \$49 million in FY 2027, \$49 million in FY 2028, and \$12 million in FY 2029	Modifies to instead extend such provisions until June 30, 2031. Additionally, the Assembly includes language to ensure certain conditions are met in order for a licensed gaming facility located in the Tioga County region of zone five to maintain the reduced rate.	Modifies to expire on April 1, 2026	Accept
PART HH	Extend Authorized Use of Capital Funds by a Certain Off-track Betting Corporation for One Year	This bill would extend for one additional year the authorized non-capital use of capital acquisition funds by the Capital District Regional Off-Track Betting (OTB) Corporation (the Corporation).	No impact	Accepts	Accepts	Accept
PART II	Conduct a Study of Thoroughbred Fetlock Joint Injury	This proposal seeks to fund a longitudinal study by the Cornell University College of Veterinary Medicine of the	Increase All Funds revenue by \$3 million in FY 2026, \$6 million in FY	Modifies to clarify that upon conclusion of the study, Cornell would own any	Accepts	Accept

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	Detection Through Advanced Imaging	thoroughbred fetlock joint through advanced imaging	2027, \$6 million in FY 2028, and \$3 million in 2029	screening and imaging capital equipment purchased; clarify that excess money from the study would be deposited into the racing regulation account; require Cornell to release an annual report on the study's findings; specify that the research be conducted locations proximate to Belmont Park and Saratoga racetracks; and specify that the New York Racing Association's (NYRA) expenditure of \$2 million be used for the exclusive purchase of screening and		

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				imaging capital equipment		
PART JJ	Extend unit 1/1/29 extend the Farm Workforce Employee Retention Tax Credit				Senate Proposal	New -Accept
PART KK	Establish a Farm Employer Overtime Credit					Accept
PART LL	Technical Correction to Filing Returns Article 28 – Sales and Use Tax					Accept
PART MM	Allocation of Payouts at Genesee Downs in Relation to Reservation Gaming					Accept
PART NN	Terms and Appointments to NYRA Board					Accept

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PART OO	Extending and Amending Mobile Sports Wagering					Accept
PART PP	Tax Relief Relative to Brownfield Cleanups					Accept
PART QQ	Tax Relief for LLC or LLP Relative to Sales Tax					Accept
PART RR	Simplifies the Property Tax Credit under Section 600 of the Tax Law					Accept
PART SS	Authorizes an Occupancy Tax in the City of Auburn					Accepts
PART UU	Amends Geothermal Energy Systems Tax Credit					Accept
PART VV	Expands the Payroll Mobility Tax					Accept

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PART WW	Amends the Allocation of Sales and Use Tax in the Mass Transit Operating Assistance Fund and the Dedicated Mass Transportation Assistance Fund					Accept
PART XX	Amends the Aggregate Principal of Bonds Issued by the MTA and Triborough Bridge and Tunnel Authority					Accept