



Legislation Text

File #: Res 1041-2016, **Version:** *

Res. No. 1041

Resolution calling upon the State Legislature to pass, and the Governor to sign, legislation that would extend the property tax abatement for the installation of a solar electric generating system to the installation of a solar thermal system

By Council Members Richards, Constantinides and Borelli

Whereas, New York State law currently provides a tax abatement for the installation of solar electric generating systems, such as solar panels, but not for the installation of solar thermal systems which are used for heating water or otherwise powering heating/cooling systems; and

Whereas, Solar electric generating systems directly convert the sun's light into electricity, and solar thermal systems convert the sun's energy to heat which in turn either heats water or can be converted into electricity; and

Whereas, Section 499-bbbb of the State Real Property Tax law provides a property tax abatement to the owners of class one, two, or four properties that install or have installed solar electric generating systems on such properties; and

Whereas, While the law provides for a tax abatement at varying levels depending on the date of the systems' installation, in all cases the amount of the abatement would be the lesser of a percentage of the installation expenditures, the amount of taxes payable the year the abatement is claimed, or \$62,500; and

Whereas, According to the State Legislature's Memorandum in Support of Chapter 473 of the Laws of New York for 2008 which first created section 499-bbb, the City strongly supported the abatement because it aligned with the City's "long-term sustainability plan, PlaNYC released in April 2007, which set a 30% greenhouse gas emission reduction target for 2030 and committed to provide cleaner, more reliable power for

every New Yorker”; and

Whereas, Since then, pursuant to Local Law 66 of 2014 passed by the Council, the City has expanded its goal with a new commitment to reduce greenhouse gas emissions by 80 percent by 2050; and

Whereas, Using a solar thermal system to heat water or power a heating/cooling system for a building also can lead to reduced greenhouse gas emissions; and

Whereas, According to a report issued by the New York City Economic Development Corporation (“EDC”) entitled “Solar Thermal in New York City: Opportunities + Challenges,” in the City over 30% of a building’s energy consumption is used to provide space heating and hot water and this demand is largely met by fuel oil- and natural gas-powered boilers; and

Whereas, According to EDC’s report, solar thermal systems provide a renewable, emissions-free and cost-efficient alternative to fossil fuel-based space and water heating, yet the industry has seen slow growth due in part to a lack of financial incentives and financing options; and

Whereas, Because the use of solar thermal systems have similar environmental benefits to the use of solar electric generating systems, their installation should also be encouraged through the provision of a property tax abatement; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the State Legislature to pass, and the Governor to sign, legislation that would extend the property tax abatement for the installation of a solar electric generating system to the installation of a solar thermal system.

RC
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