



Legislation Text

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Int. No. 1267

By Council Members Williams, Louis, Banks and Feliz

A Local Law in relation to requiring the commissioner of finance to study and make recommendations relating to the feasibility of implementing a lifetime income tax exemption

Be it enacted by the Council as follows:

Section 1. Lifetime income tax exemption feasibility study and recommendations. a. Definitions. For purposes of this section, the following terms have the following meanings:

City. The term “city” means the city of New York.

Commissioner. The term “commissioner” means the commissioner of finance.

Department. The term “department” means the department of finance.

b. Feasibility study. The commissioner shall conduct a study to assess the feasibility of exempting from city personal income tax the first \$250,000 earned by each city resident in each such resident’s lifetime. At minimum, such study shall include:

1. An evaluation of the administrative feasibility of implementing such exemption;
2. An assessment of the economic impact such exemption would have on low-income earners in the city and on the city’s financial health, including an estimate of the fiscal impact on city expenditures and revenues;
3. An estimate of the specific city expenditures necessary to administer such exemption including, but not limited to, training, staffing, and other operational expenses;
4. The consideration of outreach and education necessary to implement such exemption, including, but not limited to, financial planning preparation for individual taxpayers; and
5. The identification and consideration of any barriers to implementing such exemption, including the

need for any state legislation to authorize such exemption, and recommendations to overcome any such barriers.

c. Report. No later than 6 months after the effective date of this local law, the commissioner shall complete the study required by subdivision b of this section and issue a report that contains the commissioner's findings and recommendations regarding the feasibility of implementing such lifetime income tax exemption. The commissioner shall submit such report to the mayor and the speaker of the council, and post such report on the department's website.

d. The commissioner shall consult with the president of the economic development corporation and any other relevant agency to produce the report required by subdivision c of this section.

§ 2. This local law takes effect immediately.

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