

Senate and Assembly One-House Budget Summary

Housing & Real Estate

The Senate and Assembly:

- Increases funding for the Housing Access Voucher Program by \$200 million for a total of \$250 million
- Accepts the Executive proposal to increase the number of land banks from 35 to 45.

The Senate:

- Increases funding for fair housing testing by \$6 million, for a total of \$8 million.
- Includes \$5 million for the Senior Homeowner Foreclosure Arrears Assistance Fund.
- The Senate advances language to establish the NYSAR-supported first home savings account program (S.1157).
- Advances language that would create an affordable independent senior housing assistance program.
- Modifies the Executive proposal to reform the J-51 program by increasing eligibility for rent-regulated housing, increasing the assessed value eligibility threshold for condos and co-ops, increasing the frequency for updates to the cost schedule, and capping and making refundable the program application fee.
- Modifies the Executive proposal to create a new crime of aggravated harassment of a rent-regulated tenant, by specifying that the harassment must occur to 3 or more tenants in 2 or more residential buildings.

The Assembly

- Includes \$4 million in funding for fair housing testing.
- Includes \$50 million to assist low- and moderate-income first-time homebuyers with closing costs and down payments.
- Omits Executive proposal to reform the J-51 program to preserve rent regulated housing.
- Omits Executive proposal to increase penalties for harassment of tenants.
- Provides \$125 million for the New York Housing for the Future Co-op Program.
- Provides \$125 million for the New York Housing for the Future Rental Program.

Taxes and Revenue

The Senate and Assembly:

- Authorizes New York City to increase the unincorporated business tax rate for business making more than \$5 million from 4 to 4.4 percent. The proposal would also give New York City the authority to increase its corporate tax rates for financial firms from 9% to 10.8%, and other firms from 8.85% to 10.62%.
- Modifies New York City's real property transfer tax rate to increase transfer taxes on home sales above \$5 million based on the following schedule (beginning June 1, 2026):

Sale Price	Current Law	Legislative Proposal
Under \$500,000	1.000%	1%
\$500,000 to \$5 million	2.625%	1.425%
\$5 to \$10 million	2.625%	3.675%
\$10 to \$15 million	2.625%	4.675%
\$15 to \$20 million	2.625%	4.925%
\$20 to \$25 million	2.625%	5.175%
\$25 million+	2.625%	5.325%

The Senate:

- Modifies the Executive proposal to extend the corporate franchise tax for 3 years, by increasing the tax to 9 percent for businesses with more than \$5 million in income.
- Omits the executive proposal to extend the existing real estate transfer tax rate for real estate investment trusts for 3 years. The Senate views the existing rate as "preferential".
- Increases personal income tax rate by 0.5 percent for the top 2 brackets.
- Allows municipalities to collect property taxes from certain businesses that operate on tax-exempt lands
- Allows the cities of Buffalo and Albany to impose a real estate transfer tax not to exceed 1 percent for properties valued under \$1 million, and 2 percent for properties valued over \$1 million.

The Assembly:

- Modifies the Executive proposal to extend the corporate franchise tax for 3 years, by increasing the tax for businesses with an income base over \$5 million and less than \$10 million to 7.25 percent; and for those with a business income base over \$10 million to 9.25 percent.
- Accepts the Executive proposal to extend the existing real estate transfer tax rate for real estate investment trusts (REITs) for 3 years.
- Accepts the Executive proposal to make technical changes to streamline the administration of STAR exemptions and credits.

- Increases through year 2033 the personal income tax rates on taxpayers earning over \$5 million (10.30% to 10.50%); those earning over \$10 million (10.30% to 10.75%); those earning over \$25 million (10.90% to 11.75%); and those earning over \$100 million (10.90% to 12%).
- Reduces personal income tax rates by 1 percent on taxpayers earning less than \$323,000.
- Establishes the Protecting Our Wallets Energy Rebate (POWER) program to deliver checks to residents in Fall of 2026 to help pay rising utility bills - \$500 check for incomes below \$150,000 and \$300 check for incomes between \$150,000 and \$300,000.
- Establishes the Small Business Hardship Savings Accounts which would allow qualified small businesses with fewer than 25 employees, to make contributions, up to 10 percent of net income, into a tax-deferred savings account. Withdrawals from the account would be tax-free for purposes of job retention or creation.
- Increases the current small business subtraction modification from 15 to 25 percent of net income.
- Increases the maximum credit allowed under the Historic Homeownership Rehabilitation Tax Credit from \$25,000 per taxpayer, to \$50,000 per taxpayer.
- Authorize cities to impose a Supplementary Real Property Tax Surcharge on certain vacant and abandoned property. The rate would be determined through a local law.
- Reduces the current 100 percent personal income tax rebate provided to New York City Pass-Through Entity taxpayers, to 75 percent.

Energy, Utilities & Environment

The Senate:

- Modifies the Executive proposal to reform the State Environmental Quality Review Act (SEQRA) by limiting the proposal's SEQRA exemptions to only infill multifamily housing projects, particularly in urban areas, conditioned upon the project fulfilling minimum environmental and infrastructure standards and scaling the size of developments exempted to community context.
- Adds \$200 million for the Energy Affordability Program, which seeks to reduce energy bills for residential customers.
- Omits the Executive proposal to renew an assessment on electric and gas utilities.
- Advances a proposal to create a heat pump rebate program that amounts to the lesser of \$2,000 or 30% of the overall cost of the heat pump.
- Accepts the Executive proposal to replace a utility company's ability to shut off tenant utility services when a landlord fails to pay with the right for a utility to seek a lien on the building.

The Assembly:

- Omits Executive proposal to reform SEQRA.
- Authorize a state sales tax exemption for commercial energy storage and provides certain labor protections for projects receiving public funding or benefits. The Assembly remains interested in continuing to explore ways to address concerns related to the safety of siting such systems in very close proximity to homes.
- Establishes the Protecting Our Wallets Energy Rebate (POWER) program to deliver checks to residents in Fall of 2026 to help pay rising utility bills - \$500 check for incomes below \$150,000 and \$300 check for incomes between \$150,000 and \$300,000.
- Adds \$200 million for the Clean Water Infrastructure Improvement Act (for a total of \$700 million)
- Omits Executive proposal to allocate a new \$200 million related to water infrastructure for housing development.

Insurance

The Senate and Assembly:

- Omits the Executive proposal related to litigation reform.
- Omits the Executive proposal related to extending timeframes for insurers to report suspected fraud.

The Senate:

- Modifies the executive proposal to require explanations for auto, homeowners and residential property insurance increases over 10% by requiring explanations for all increases.