New York State Association of REALTORS®, Inc.

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MEMORANDUM IN SUPPORT

S.1157 by Senator Jeremy Cooney
Status: On Housing, Construction & Community Development Committee Agenda (2/10/26)

A.5098 by Assemblymember Phil Ramos
Status: Assembly Housing Committee

Date: February 2026
Contact: Michael Kelly

Re: Support for a New York State first-time home buyer savings account program

The New York State Association of REALTORS®, Inc. (NYSAR) **strongly supports S.6574(Cooney)/ A.6933 (Ramos)**, which would authorize prospective first-time home buyers to establish a savings account to be used solely for the purpose of purchasing a first home in New York State.

This legislation will create a state tax deductible savings account program for New York first-time home buyers, operating similar to the state's existing 529 College Savings program. Under this bill, deposits into a first-time home buyer savings account of up to $10,000 per year for couples filing jointly and $5,000 per year for individuals would be deductible from state income taxes, with a maximum contribution level of $100,000 over the life of the account. Deposited funds and any gains must be applied to the purchase of a first home (primary residence single-family home, townhome, condominium, or unit in a cooperative housing corporation) in New York State. The savings account would remain under the sole custody of the New York State Comptroller.

Similar legislation passed both houses of the legislature in 2017 (A.5616 Ramos/S.4058 Little) with almost unanimous bipartisan support. The current bill makes technical changes to address an income cap and minimum length of time an account must be open before a qualified withdrawal. Taxpayers with an adjusted gross income that exceeds 250 percent of the area median income would not be eligible for the state tax deduction. Additionally, to avoid abuse of the deduction provisions of the bill, an account must be open for at least twelve months before a qualified withdrawal could be made.

Incentivizing home purchases through the proposed first-time home buyer savings account program will encourage residents to remain in New York and will provide the state with a return on its investment through tax revenue generated from the home purchase transaction, including sales taxes, property taxes, real estate transfer taxes, mortgage recording taxes, and income taxes.

Inventory of homes for sale in New York continues to be very low, with 23,405 homes on the market in December 2025, compared to 23,978 in December 2024, a decline of 2.4 percent. The lack of supply is a major driver of the state's housing affordability crisis, which hits first time homebuyers particularly hard. Nationally, the median age of a first-time homebuyer is now 40 years old – the highest ever recorded. Additionally, New Yorkers pay among the highest closing costs in the nation. Many of these closing costs are fixed, which affects low- and moderate-income home buyers the most. Larger down payments allow

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borrowers to avoid higher interest rates and fees including private mortgage insurance (PMI). If enacted, this program would set the foundation to help future generations of New Yorkers overcome financial barriers to becoming homeowners and build generational wealth. Approval of this legislation would send a strong signal that New York believes that homeownership is still achievable and remains part of the American dream.

For the above stated reasons, the New State Association of REALTORS® **strongly supports S.1157(Cooney)/A.5098 (Ramos)** and urges its passage.

The New York State Association of REALTORS® is a not-for-profit trade organization representing more than 61,000 of New York State's real estate professionals. The term REALTOR® is a registered trademark, which identifies real estate professionals who subscribe to a strict code of ethics as members of the National Association of REALTORS®. These REALTORS® are also members of the New York State Association of REALTORS® as well as their local board or association of REALTORS®.

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