

**LAWS OF NEW YORK**  
**ARTICLE 22 - PERSONAL INCOME TAX**  
**PART 1 – GENERAL**  
**SECTION 606 – CREDITS AGAINST TAX**  
**(2005)**

**§ 606 (g-1) Solar energy system equipment credit.**

(1) General. An individual taxpayer shall be allowed a credit against the tax imposed by this article equal to twenty-five percent of qualified solar energy system equipment expenditures. This credit shall not exceed three thousand seven hundred fifty dollars for qualified solar energy equipment placed in service before September first, two thousand six, and five thousand dollars for qualified solar energy equipment placed in service on or after September first, two thousand six.

(2) Qualified solar energy system equipment expenditures.

(A) The term "qualified solar energy system equipment expenditures" means expenditures for the purchase of solar energy system equipment which is installed in connection with residential property which is (i) located in this state and (ii) which is used by the taxpayer as his or her principal residence at the time the solar energy system equipment is placed in service.

(B) Such qualified expenditures shall include expenditures for materials, labor costs properly allocable to on-site preparation, assembly and original installation, architectural and engineering services, and designs and plans directly related to the construction or installation of the solar electric generating equipment.

(C) Such qualified expenditures shall not include interest or other finance charges.

(3) Solar energy system equipment. The term "solar energy system equipment" shall mean an arrangement or combination of components utilizing solar radiation, which, when installed in a residence, produces energy designed to provide heating, cooling, hot water or electricity for use in such residence. Such arrangement or components shall not include equipment connected to solar energy system equipment that is a component of part or parts of a non-solar energy system or which uses any sort of recreational facility or equipment as a storage medium. Solar energy system equipment that generates electricity for use in a residence must conform to applicable requirements set forth in section sixty-six-j of the public service law.

(4) Multiple taxpayers. Where solar energy system equipment is purchased and installed in a principal residence shared by two or more taxpayers, the amount of the credit allowable under this subsection for each such taxpayer shall be prorated according to the percentage of the total expenditure for such solar energy system equipment contributed by each taxpayer.

(5) Grants. For purposes of determining the amount of the expenditure incurred in purchasing and installing solar energy system equipment, the amount of any federal, state or local grant received by the taxpayer, which was used for the purchase and/or installation of such equipment and which was not included in the federal gross income of the taxpayer, shall not be included in the amount of such expenditures.

(6) When credit allowed. The credit provided for herein shall be allowed with respect to the taxable year, commencing after nineteen hundred ninety-seven, in which the solar energy system equipment is placed in service.

(7) Carryover of credit. If the amount of the credit, and carryovers of such credit, allowable under this subsection for any taxable year shall exceed the taxpayer's tax for such year, such excess amount may be carried over to the five taxable years next following the taxable year

with respect to which the credit is allowed and may be deducted from the taxpayer's tax for such year or years.

**§ 606 (g-2) Fuel cell electric generating equipment credit.**

(1) General. An individual taxpayer shall be allowed a credit against the tax imposed by this article equal to twenty percent of qualified fuel cell electric generating equipment expenditures. This credit shall not exceed one thousand five hundred dollars with respect to any taxable year. The credit provided for herein shall be allowed with respect to the taxable year in which the fuel cell electric generating equipment is placed in service.

(2) Qualified fuel cell electric generating equipment expenditures.

(A) The term qualified fuel cell electric generating equipment expenditures are the costs, incurred on or after January first, two thousand three, associated with the purchase of on-site electricity generation systems utilizing proton exchange membrane fuel cells, providing a rated baseload capacity of no more than twenty-five kilowatts of electricity which are located in this state and used by the taxpayer at his or her principal residence at the time the qualified fuel cell electric generating equipment is placed in service.

(B) Qualified fuel cell electric generating equipment expenditures shall also include costs, incurred on or after January first, two thousand three, for materials, labor for on-site preparation, assembly and original installation, engineering services, designs and plans directly related to construction or installation and utility compliance costs.

(C) Such qualified expenditures shall not include interest or other finance charges.

(3) Multiple taxpayers. Where fuel cell electric generating equipment is purchased and installed in a principal residence shared by two or more taxpayers, the amount of the credit allowable under this subsection for each such taxpayer shall be prorated according to the percentage of the total expenditure for such fuel cell electric generating equipment contributed by each taxpayer.

(4) Grants. For purposes of determining the amount of the expenditure incurred in purchasing and installing fuel cell electric generating equipment, the amount of any federal, state or local grant received by the taxpayer, which was used for the purchase and/or installation of such equipment and which was not included in the federal gross income of the taxpayer, shall not be included in the amount of such expenditures.

(5) Carryover of credit. If the amount of the credit, and carryovers of such credit, allowable under this subsection for any taxable year shall exceed the taxpayer's tax for such year, such excess amount may be carried over to the five taxable years next following the taxable year with respect to which the credit is allowed and may be deducted from the taxpayer's tax for such year or years.