

New York Laws and Incentives for Tax Incentives

The list below contains summaries of all New York laws and incentives related to Tax Incentives.

State Incentives

Alternative Fueling Infrastructure Tax Credit

An income tax credit is available for 50% of the cost alternative fueling infrastructure, up to \$5,000. Qualifying infrastructure includes electric vehicle supply equipment and equipment to dispense fuel that is 85% or more natural gas, propane, or hydrogen. Unused credits may be carried over into future tax years. The credit expires December 31, 2017. (Reference [Assembly Bill](#) 03009, 2013; [Senate Bill](#) 02609, 2013; and [New York Tax Law](#) 187-b)

Biofuel Production Tax Credit

Biofuel producers in New York State may qualify for a state tax credit of \$0.15 per gallon of biodiesel (B100) or denatured ethanol produced after the production facility has produced, and made available for sale, 40,000 gallons of biofuel per year. The maximum annual credit available is \$2.5 million per taxpayer for no more than four consecutive taxable years per production facility. If the taxpayer is in a partnership or is a shareholder of a New York S corporation, the maximum credit amount is applied at the entity level, so the aggregate credit allowed to all partners or shareholders may not exceed \$2.5 million. Additional requirements may apply. This credit expires December 31, 2019. (Reference [New York Tax Law](#) 28*2 and 187-c)

Alternative Fuel Tax Exemption and Rate Reduction

E85, compressed natural gas, and hydrogen fuel that is used exclusively to operate a motor vehicle engine is exempt from state sales and use taxes. Additionally, cities and counties may reduce the sales and use tax imposed on 20% biodiesel blends (B20) to 80% of the diesel fuel tax rate. The exemption and rate reduction are in effect until September 1, 2014. (Reference [New York Tax Law](#) 1101, 1102, 1111, and 1115)

The AFDC is a resource of the U.S. Department of Energy's Clean Cities program.