



Department of
Taxation and Finance

Helping Seniors Receive the Enhanced STAR Property Tax Exemption

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Agenda

- Overview of the STAR Program
- Extending the Enhanced STAR application deadline due to a **good cause**
- How School Business Officials can help

Overview of the STAR Program



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Two Types of STAR Exemptions

1. Basic STAR exemption

- available for owner-occupied, primary residences
- income limit = \$250,000
- based on the first \$30,000 of the full value of a home (subject to statutory adjustments)

Two Types of STAR Exemptions

2. Enhanced STAR exemption

- provides an increased benefit for the primary residences of senior citizens (age 65 and older)
- income limit = \$86,300 (adjusted annually based on COLA)
- based on the first \$68,700 of the full value of a home for the 2019-2020 school year (adjusted annually)

Annual Enhanced STAR Renewal

Prior to this year, seniors receiving Enhanced STAR had two options to annually renew their exemptions:

- reapply to the assessor annually (and provide copies of income tax returns), or
- voluntarily enroll in the Income Verification Program.

Enhanced STAR Income Verification Program

By enrolling in the Income Verification Program (IVP):

- the senior no longer has to reapply annually
- the Tax Department annually determines income eligibility for the Enhanced STAR exemption
- the senior doesn't have to provide a tax return to the assessor or worry about missing the application deadline
- the Tax Department notifies assessors whether Enhanced STAR recipients are eligible based on income

New for 2019

- Due to a change in the law, Enhanced STAR recipients are now **required** to enroll in the Income Verification Program (IVP).
- Seniors cannot receive the Enhanced STAR exemption if they don't enroll in the IVP.

Most Seniors Have Enrolled in the IVP

- Last year there were 629,000 Enhanced STAR recipients.
- As of today there are 614,000 seniors enrolled in the IVP.
- Seniors who didn't enroll still have the option to request an extension of the deadline for a **good cause**.

Extending the Enhanced STAR Application Deadline Due to a Good Cause



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Application Deadline for Enhanced STAR

- The deadline to apply or reapply for the Enhanced STAR exemption is known as *Taxable Status Date* (TSD).
- In most cities and towns, TSD is March 1.

Extending the Deadline for *Good Cause*

- Beginning in 2016, seniors who missed the Enhanced STAR application deadline for a **good cause** have the option to ask the Tax Department to extend the deadline.
- The deadline to request a **good cause extension** is the last date that school taxes are due without interest or penalty. (In the typical school district, the deadline is September 30.)
- The Tax Department determines what qualifies as a good cause.

First Year of the New IVP Requirement

Some Seniors Missed the Application Deadline.

This year, the first year of the new IVP requirement, some seniors missed the deadline or there were issues with their application.

Outreach to Seniors

Outreach to Seniors at Risk of Losing the Enhanced STAR Exemption

- In July, we sent customized good cause applications to seniors who missed the deadline or who had issues with their application.
- More than 6,000 seniors responded to our mailing and appear to be eligible for the Enhanced STAR exemption.

Review by Assessors and County RPT Directors

- We sent assessors and county property tax directors lists of those who responded.
- By Friday, August 23, the assessment officials will report back to us if they have reason to believe that any of the property owners aren't eligible due to residency, ownership, or age reasons.

Assessment Officials Will Update Their Rolls

- Assessors and county property tax directors will update the rolls to reflect the Enhanced STAR exemptions on the lists we provide.
- If the file has already been provided to the school district, you have the ability to make the necessary changes.

How School Business Officials Can Help



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You Are Authorized to Make Adjustments After Receiving the Roll

If the correction is not made before school taxes are levied, the school district authorities shall be authorized and directed to take account of the fact that the commissioner has granted the exemption by correcting the applicant's tax bill and/or issuing a refund accordingly.

- § 425(6)(a-2) of the Real Property Tax Law

We Are Providing Lists to School Districts

- After review by assessment officials, we will provide school officials with lists of Enhanced STAR recipients who have been approved for good cause extensions.
- Please ensure that each of the seniors on the list will receive the Enhanced STAR exemption. (The assessor or county RPT director may have already updated the tax bill file transmitted to you.)

What to Do After You Receive The List

- If the senior will receive a tax bill that reflects an Enhanced STAR exemption, you do not need to take any action.
- If the senior would receive a tax bill that does not reflect an Enhanced STAR exemption, you will need to
 - update your file, or
 - issue a corrected tax bill.

Scenario 1

The property has an Enhanced STAR exemption.

No action is necessary.

Scenario 2

The property does not have an Enhanced STAR exemption.
The tax bill has not been issued.

Update your file and reprint the bill if necessary.

Scenario 3

The property does not have an Enhanced STAR exemption.

The tax bill was issued.

The taxes have not been paid.

Issue a corrected tax bill.

Scenario 4

The property does not have an Enhanced STAR exemption

The taxes have been paid.

The Tax Department will send a check to the senior for the amount they are owed. Follow the instructions on the next slide.

To Notify Us That A Check Must Be Sent

Email the following to real.property@tax.ny.gov with **Check Required** and your **ORPTS 6-digit School District Code** in the subject line:

- name,
- address,
- property key (included on our list),
- tax map number or section/block/lot,
- copy of the bill, and
- confirmation that the tax was paid.

Weekly Reports of Enhanced STAR Recipients

- Each week we will notify you of any good cause requests we have received and approved since the prior week.
- You will follow the same procedure described on the previous slides.
- For school districts with tax bills due on September 30 (which is also the deadline for **good cause applications**), we expect to send the last list to you in mid-October. If the tax bill has already been paid, follow the procedures described above.

STAR Reimbursement

- If you have not submitted Form RP-6704-B1, *STAR Reimbursement Application*, include the amounts that resulted from the good cause process.
- If you have submitted your application, provide an amended Form RP-6704-B1.
- For your convenience, we recommend waiting until after the final report is provided to you on October 15 to submit your initial or amended application.

Where to Direct Questions

- If contacted by a senior regarding eligibility or other issues regarding their exemption, refer them to our STAR Call Center at 518-457-2036.
- If you have questions about the program, email real.property@tax.ny.gov.

Questions?



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