

Overview of 2019 Mandatory Enhanced STAR Income Verification Program

Beginning with the 2019-20 school year, the Tax Department will annually determine income eligibility for all potential Enhanced STAR recipients.

Enhanced STAR recipients will fall into three categories:

Property owners who were participating in the Income Verification Program (IVP) for the 2018-19 school year. Existing IVP participants won't need to take any action for the 2019 assessment roll. If the Tax Department needs additional information from them, it will contact them directly.

Property owners who received Enhanced STAR in 2018, but are not in the IVP program. The property owner will be required to provide the assessor with the following:

- Form RP-425-Rnw *Renewal Application for Enhanced STAR Exemption for the 2019-2020 School Year*,
- Form RP-425-IVP *Application for the Enhanced STAR Income Verification Program*, and
- either a copy of their 2017 state or federal income tax return or Form RP-425-Wkst.

Property owners who received Basic STAR in 2018, and who are applying for the Enhanced STAR exemption beginning with the 2019-20 school year. They will submit the following to the assessor:

- Form RP-425-E *Application for the Enhanced STAR Exemption for the 2019-2020 School Year*,
- Form RP-425-IVP, and
- either a copy of their 2017 state or federal income tax return or Form RP-425-Wkst.

Impact on applications for the RP-467 Senior Citizens exemption

The new provisions remove the connection between applications for the RP-467 Senior Citizens exemption and the Enhanced STAR exemption. To be eligible for the Enhanced STAR exemption for the 2019-20 school year, property owners applying for the RP-467 Senior Citizens exemption will be required to submit the following forms to the assessor:

- Form RP-425-IVP, and either
- Form RP-425-E, or
- Form RP-425-Rnw.

Determining Eligibility

Existing IVP participants. The Tax Department will use income tax data to determine eligibility and notify assessors whether:

- Property owners are income-eligible for Enhanced STAR – income is \$86,300 or less
- Property owners are income-eligible for Basic STAR – income is greater than \$86,300 but equal to or less than \$500,000
- Property owners are not income-eligible for STAR.

New IVP participants. The assessor will determine whether the property owner is eligible for the Enhanced STAR exemption on the 2019 assessment roll. The assessor will use the online IVP tool to provide the Tax Department with the Social Security numbers for all owners and spouses who reside at the property.

The Tax Department will use the Social Security numbers to confirm the eligibility of the property owners. If there is a change to the assessor's determination, the department will notify the assessor.

In subsequent years, the Tax Department will determine income-eligibility based on the Social Security numbers. If additional information is needed, the department will contact the property owner directly.

Notifications

The Tax Department will notify assessors as it makes all income-eligibility determinations. In addition:

- If the department determines that a senior is not income-qualified for the Enhanced STAR exemption, it will notify the property owner and provide them with an opportunity to appeal.
- If the department determines that an applicant is not income-qualified for the Basic STAR exemption due to income exceeding \$500,000, it will notify the property owner and provide them with an opportunity to appeal.

After school taxes are levied

If, after school taxes have been paid, the Tax Department determines that there should have been an eligibility change for a property owner, the assessor **will not** change the assessment roll in that year. The Tax Department will:

- send the property owner either a check or bill for the amount owed, and
- notify the assessor and county director of the determination.