



ANSWERS TO THE MOST FREQUENTLY ASKED QUESTIONS ABOUT THE BASIC & ENHANCED STAR (School Tax Relief) PROPERTY TAX EXEMPTIONS

1. WHAT IS STAR?

STAR is a New York State tax relief program that lowers property taxes for certain owners. There are two levels of benefits - Basic STAR and Enhanced STAR.

2. WHO IS ELIGIBLE?

To be eligible for the STAR reduction, at least one owner must use the property as his or her primary residence. (See question number 3.)

- Basic STAR: Beginning July 1, 2011, the total combined household income must be \$500,000 or less. Previously, there was no income limit.
- Enhanced STAR: All owners must be 65 or over, except when they are spouses, registered domestic partners or siblings. In addition, the total combined household income must be \$84,550 or less. Household income is defined as the federal adjusted gross income less the taxable amount of IRA distributions for all owners residing at the property.

3. WHAT IS A PRIMARY RESIDENCE?

The primary residence is where the taxpayer lives for the majority of the year. STAR applicants may be asked to prove "primary residency." In the future, you may be asked to certify the property is still the main place where you live.

4. CAN I HAVE STAR BENEFITS FOR MORE THAN ONE HOME?

No. Only the one home that is your primary residence is eligible.

5. MUST THE PROPERTY BE THE PRIMARY RESIDENCE OF ALL THE OWNERS?

No. Only one of the owners has to use the property as his or her primary residence to qualify for STAR.

6. HOW MUCH WILL I SAVE WITH THE PROPERTY TAX REDUCTION BENEFIT?

The STAR benefit is set each year by the New York State Legislature based on the type of property you own. Currently, for the tax year July 1st - June 30th, owners of Class 1 properties (1-, 2-, and 3-family homes and some condominiums) can save approximately \$300 in property taxes with the Basic STAR. The savings is about \$600 for Enhanced STAR.

7. HOW DO I APPLY FOR STAR?

You can print an Exemption Application for Owners from nyc.gov/finance or call 311 (outside NYC or TTY, 212-NEW-YORK (212-639-9675)) to receive it by mail. That application can also be used to apply for certain other Property Tax exemptions.

Before you apply, Finance suggests making sure you do not already have STAR. A surprising 50-60% of STAR applicants already do. House and condo owners can find their current exemptions by looking at their latest bill or Notice of Value, going to nyc.gov/finance, or calling 311.

Co-op owners can get their exemption status from their co-op management company. If you call in January or February, the management company will have information for the current tax year, and you will still have time to apply for benefits in the next tax year.

8. WHAT IS THE DEADLINE TO APPLY? WHEN WILL MY TAXES BE REDUCED?

All applications for Basic and Enhanced STAR must be postmarked by March 15th (or the next business day if March 15th falls on the weekend). Once approved, lower property taxes will begin July 1st of the same year.

Owners/shareholders of co-ops who applied for and were granted tax benefits will also receive the tax reduction beginning on July 1st. However, the monetary value of the exemption is reported to the managing agent of record in the late fall when Finance mails an initial notification of the tax benefits afforded each unit in the building. The initial mailing is reviewed by the managing agent and used to notify Finance of any changes in shareholder information. For this reason, co-op managing agents cannot credit the tax reduction to the individual co-op owners until the letter is received and verified. Each cooperative determines the manner in which the tax saving is passed along to the individual shareholders.

9. DO I NEED TO REAPPLY EVERY YEAR IF THERE ARE NO CHANGES?

- Basic STAR: No. Finance will check your income yearly with the NYS Department of Taxation and Finance to make sure your combined household income (owners residing at the property) is less than \$500,000.
- Enhanced STAR: If you also have the Senior Citizen Homeowner Exemption, Finance will mail a renewal form every two years. Finance will check your income yearly with the NYS Department of Taxation and Finance to make sure your combined household income is less than \$84,550.

Note: If you are a Senior Citizen applying for an Enhanced STAR property tax exemption who has had a decrease in income from 2014 to 2015 due to the death of your spouse or registered domestic partner and can provide proof of your 2015 income with your application you may submit your 2015 income in place of the required 2014 income documentation.

10. WHEN SHOULD I REAPPLY?

- If you move to a new primary residence.
- Any change to the deed can automatically result in loss of benefits. You are advised to contact Finance if this occurs.
- If you have Basic STAR and you believe you are now eligible for Enhanced STAR.

Mail your completed application by March 15th to:

(If deadline falls on a weekend, due date is the next business day.)

NYC Dept. of Finance, STAR Exemption, PO Box 311, Maplewood, NJ 07040-0311.

Keep a copy of your application for your records.