S T A T E O F N E W Y O R K

1430

2013-2014 Regular Sessions

I N S E N A T E

(PREFILED)

January 9, 2013

Introduced by Sens. RANZENHOFER, DeFRANCISCO, LARKIN, MAZIARZ -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the real property tax law, in relation to school tax relief program (STAR) savings calculation

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subdivision 2 of section 1306-a of the real property tax law, as amended by section 6 of part N of chapter 58 of the laws of 2011, is amended to read as follows:

2. Tax savings. (a)(i) The tax savings for each parcel receiving the exemption authorized by section four hundred twenty-five of this chapter shall be computed by subtracting the amount actually levied against the parcel from the amount that would have been levied if not for the exemption, provided however, that beginning with the two thousand eleven-two thousand twelve school year, the tax savings applicable to any "portion" (which as used herein shall mean that part of an assessing unit located within a school district) shall not exceed the tax savings applicable to that portion in the prior school year multiplied by one hundred two percent, with the result rounded to the nearest dollar. The tax savings attributable to the basic and enhanced exemptions shall be calculated separately. It shall be the responsibility of the commissioner to calculate tax savings limitations for purposes of this subdivision.

(ii) The tax savings applicable to a portion for the two thousand ten-two thousand eleven school year shall be determined by multiplying the exempt amount applicable to the portion for the two thousand ten-two thousand eleven school year by the tax rate applicable to the portion for the two thousand ten-two thousand eleven school year, with separate calculations for the basic and enhanced exemptions.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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(iii) Where a school tax rate was changed in the midst of the prior school year, an annualized school tax rate shall be used for this purpose. The annualized tax rate for this purpose shall be determined by calculating the average of the tax rates in effect at various times during the school year, weighted according to the length of time during which they were respectively applicable.

(b) FOR PURPOSES OF THIS SUBDIVISION, TAX SAVINGS SHALL BE CALCULATED TO INCLUDE ANY SALES TAX REVENUE SHARED BY A COUNTY WITH A SCHOOL DISTRICT. SUCH SALES TAX REVENUE SHALL BE ADDED ON A PRO RATA BASIS EQUAL TO THE PERCENTAGE THAT EACH PARCEL RECEIVING AN EXEMPTION IS TO THE ENTIRE TAX LEVY, AS AN ADDITIONAL TAX LEVY, PRIOR TO CALCULATING THE SAVINGS.

(C) A statement shall then be placed on the tax bill for the parcel in substantially the following form: "Your tax savings this year resulting from the New York state school tax relief (STAR) program is $_____."

S 2. This act shall take effect immediately and shall apply to real property taxes levied for fiscal years commencing on and after January 1, 2014.