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

5809--B

2009-2010 Regular Sessions

I N S E N A T E

June 7, 2009

Introduced by Sens. KLEIN, KRUEGER -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property tax law and the tax law, in relation to the "Middle Class STAR" rebate program; to amend the tax law, in relation to creating the middle class circuit breaker tax credit; and to amend the administrative code of the city of New York, in relation to an enhanced personal income tax credit in New York city

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

Section 1. The real property tax law is amended by adding a new section 1306-b to read as follows:

S 1306-B. "MIDDLE CLASS STAR" REBATE PROGRAM. 1. TAX REBATES. (A) IF A PARCEL IS ENTITLED TO THE BASIC OR ENHANCED STAR EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER FOR THE TWO THOUSAND SIX--TWO THOUSAND SEVEN SCHOOL YEAR AND EACH YEAR THEREAFTER, EXCEPT AS PROVIDED IN PARAGRAPH (G) OF SUBDIVISION THREE OF THIS SECTION, A LOCAL PROPERTY TAX REBATE SHALL BE PROVIDED TO THE OWNER OR OWNERS OF SUCH PARCEL AS SHOWN ON THE FINAL ASSESSMENT ROLL FOR SUCH YEAR, IN AN AMOUNT COMPUTED AS PRESCRIBED BY THIS SECTION AND SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.

(B) IT SHALL BE THE RESPONSIBILITY OF THE STATE DEPARTMENT OF TAXATION AND FINANCE TO ISSUE SUCH TAX REBATES TO SUCH OWNERS IN THE MANNER PROVIDED BY SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW. NOTHING CONTAINED HEREIN SHALL BE CONSTRUED AS PERMITTING PARTIAL OR INSTALLMENT PAYMENTS OF TAXES IN A JURISDICTION WHICH HAS NOT AUTHORIZED THE SAME PURSUANT TO LAW.

2. PROCEDURE. (A) ON OR BEFORE AUGUST FIFTEENTH, TWO THOUSAND NINE AND EACH YEAR THEREAFTER, THE EXECUTIVE DIRECTOR OF THE OFFICE OF REAL PROP-

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

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ERTY SERVICES, OR HIS OR HER DESIGNEE, OR ON OR BEFORE JULY FIRST, TWO THOUSAND NINE AND EACH YEAR THEREAFTER, IN THE CASE OF A CITY WITH A POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, OR HIS OR HER DESIGNEE, SHALL PROVIDE TO THE COMMISSIONER OF TAXATION AND FINANCE A REPORT IN A MUTUALLY AGREEABLE FORMAT CONCERNING THOSE PARCELS WHICH HAVE BEEN GRANTED AN EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER ON THE ASSESSMENT ROLLS USED TO GENERATE THE SCHOOL TAX BILLS FOR THE TWO THOUSAND NINE--TWO THOUSAND TEN SCHOOL TAX YEAR AND FOR EACH YEAR THEREAFTER; EXCEPT AS PROVIDED IN PARAGRAPH (G) OF SUBDIVISION THREE OF THIS SECTION, PROVIDED HOWEVER THE INFORMATION TO BE PROVIDED ON SUCH REPORT SHALL BE OBTAINED FROM THE FINAL ASSESS- MENT ROLL DATA FILES USED TO GENERATE THE TWO THOUSAND NINE--TWO THOU- SAND TEN SCHOOL TAX BILLS AND EACH YEAR THEREAFTER, FILED WITH THE STATE BOARD PURSUANT TO SECTION FIFTEEN HUNDRED NINETY OF THIS CHAPTER ON OR BEFORE JULY THIRTY-FIRST OF SUCH YEAR. SUCH REPORT SHALL SET FORTH THE NAMES AND MAILING ADDRESSES OF THE OWNERS OF SUCH PARCELS AS SHOWN ON SUCH ASSESSMENT ROLL DATA FILES, THE IDENTIFICATION NUMBERS OF SUCH PARCELS AS SHOWN ON SUCH ASSESSMENT ROLL DATA FILES, AND SUCH OTHER INFORMATION IN THE POSSESSION OF THE OFFICE OF REAL PROPERTY SERVICES, OR IN THE CASE OF A CITY WITH A POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, AS THE COMMISSIONER OF TAXATION AND FINANCE MAY DEEM NECESSARY FOR THE EFFECTIVE ADMINISTRATION OF THIS PROGRAM, INCLUD- ING INFORMATION REGARDING COOPERATIVE APARTMENT BUILDINGS AND MOBILE HOME PARKS OR SIMILAR PROPERTY. IT SHALL BE THE RESPONSIBILITY OF THE ASSESSOR OR ASSESSORS OF EACH ASSESSING UNIT TO ENSURE THAT THE NAMES AND MAILING ADDRESSES OF SUCH OWNERS ARE ACCURATELY RECORDED ON SUCH ROLLS AND FILES TO THE BEST OF HIS OR HER ABILITY, BASED UPON THE INFOR- MATION CONTAINED IN HIS OR HER OFFICE. NOTHING CONTAINED IN THIS SUBDI- VISION SHALL BE CONSTRUED AS AFFECTING IN ANY WAY THE VALIDITY OR ENFORCEABILITY OF A REAL PROPERTY TAX, OR THE APPLICABILITY OF INTEREST OR PENALTIES WITH RESPECT THERETO, WHEN AN OWNER'S NAME OR MAILING ADDRESS HAS NOT BEEN ACCURATELY RECORDED.

(B) (I) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDI- VISION, WHERE AN ASSESSING UNIT CONTAINS ONE OR MORE PROPERTIES WHICH ARE RECEIVING SUCH EXEMPTION IN RELATION TO A PRIOR YEAR ASSESSMENT ROLL PURSUANT TO PARAGRAPH (D) OF SUBDIVISION SIX OF SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER, OR CONTAINS ONE OR MORE PARCELS WITH RESPECT TO WHICH SUCH EXEMPTION WAS DULY ADDED OR REMOVED AFTER THE FILING OF THE FINAL ASSESSMENT ROLL PURSUANT TO THE PROVISIONS OF TITLE THREE OF ARTICLE FIVE OF THIS CHAPTER, THE OFFICE OF REAL PROPERTY SERVICES MAY REQUIRE THE ASSESSOR TO FILE WITH IT, ON OR BEFORE JULY THIRTY-FIRST, TWO THOUSAND NINE AND EACH YEAR THEREAFTER, OR SUCH LATER DATE AS SUCH OFFICE MAY SPECIFY, A SUPPLEMENTAL REPORT RELATING TO SUCH PROPERTY OR PROPERTIES, SO THAT INFORMATION PERTAINING TO THE OWNERS THEREOF MAY BE INCLUDED IN THE REPORT TO BE MADE TO THE COMMISSIONER OF TAXATION AND FINANCE PURSUANT TO THIS PARAGRAPH. WHEN ANY INFORMATION REQUIRED BY THIS PARAGRAPH IS RECEIVED BY THE OFFICE OF REAL PROPERTY SERVICES AFTER JULY THIRTY-FIRST, TWO THOUSAND NINE AND EACH YEAR THERE- AFTER, SUCH INFORMATION SHALL BE TRANSMITTED AS SOON AS REASONABLY PRAC- TICABLE TO THE COMMISSIONER OF TAXATION AND FINANCE FOR USE IN ISSUING LOCAL PROPERTY TAX REBATES PURSUANT TO SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.

(II) WHERE THE OWNERSHIP OF A PARCEL THAT HAD BEEN ELIGIBLE FOR A REBATE PURSUANT TO THIS SECTION CHANGES OR AN EXEMPTION UNDER SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER HAS BEEN GRANTED OR REMOVED, THE ASSESSOR SHALL NOTIFY THE STATE BOARD OF THE CHANGE NO LATER THAN

AUGUST FIRST OF THE FOLLOWING YEAR. THE STATE BOARD SHALL FORWARD SUCH REPORT TO THE DEPARTMENT OF TAXATION AND FINANCE IN A TIMELY MANNER AND IN A MUTUALLY-AGREEABLE FORMAT.

3. (A) THE STATE BOARD SHALL CALCULATE THE REBATE BASE AS PROVIDED HEREIN AND CERTIFY THE SAME TO THE DEPARTMENT OF TAXATION AND FINANCE NO LATER THAN JULY FIRST, TWO THOUSAND NINE.

(B) THREE REBATE BASES FOR THE BASIC STAR EXEMPTION SHALL BE DETERMINED FOR EACH SEGMENT FOR THE TWO THOUSAND NINE--TWO THOUSAND TEN AND SUBSEQUENT SCHOOL YEARS. SUCH REBATE BASES SHALL BE COMPUTED BY DETERMINING THE EXEMPT AMOUNT ESTABLISHED FOR THE SEGMENT FOR PURPOSES OF THE BASIC STAR EXEMPTION FOR THE TWO THOUSAND EIGHT--TWO THOUSAND NINE AND SUBSEQUENT SCHOOL YEARS, MULTIPLYING THAT AMOUNT BY THE SCHOOL DISTRICT TAX RATE APPLICABLE WITHIN THAT SEGMENT FOR PURPOSES OF THE TWO THOUSAND EIGHT--TWO THOUSAND NINE AND SUBSEQUENT SCHOOL YEARS, AS REPORTED BY THE SCHOOL DISTRICT. FOR THE TWO THOUSAND TEN--TWO THOUSAND ELEVEN AND SUBSEQUENT SCHOOL YEARS, SUCH REBATE BASES SHALL BE COMPUTED BY MULTIPLYING THE PRODUCT BY THE FOLLOWING:

(I) FOR PURPOSES OF THE TWO THOUSAND TEN--TWO THOUSAND ELEVEN SCHOOL YEAR AND THE TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE SCHOOL YEAR, BY SIXTY PERCENT, FORTY-FIVE PERCENT AND THIRTY PERCENT, RESPECTIVELY. THE RESULTS SHALL BE ASSOCIATED WITH THE FIRST, SECOND AND THIRD INCOME BRACKETS, RESPECTIVELY, THAT ARE APPLICABLE WITHIN THAT SEGMENT.

(II) FOR PURPOSES OF THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR, BY SEVENTY PERCENT, FIFTY-TWO AND ONE-HALF PERCENT AND THIRTY-FIVE PERCENT, RESPECTIVELY. THE RESULTS SHALL BE ASSOCIATED WITH THE FIRST, SECOND AND THIRD INCOME BRACKETS, RESPECTIVELY, THAT ARE APPLICABLE WITHIN THAT SEGMENT.

(III) FOR PURPOSES OF THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN AND SUBSEQUENT SCHOOL YEARS, BY EIGHTY PERCENT, SIXTY PERCENT AND FORTY PERCENT, RESPECTIVELY. THE RESULTS SHALL BE ASSOCIATED WITH THE FIRST, SECOND AND THIRD INCOME BRACKETS, RESPECTIVELY, THAT ARE APPLICABLE WITHIN THAT SEGMENT.

(IV) INCOME BRACKETS. (A) IN THE CITY OF NEW YORK, AND THE COUNTIES OF NASSAU, SUFFOLK, ROCKLAND, WESTCHESTER, PUTNAM, ORANGE AND DUTCHESS, THE FIRST INCOME BRACKET SHALL BE UP TO AND INCLUDING ONE HUNDRED TWENTY THOUSAND DOLLARS; THE SECOND INCOME BRACKET SHALL BE OVER ONE HUNDRED TWENTY THOUSAND DOLLARS UP TO AND INCLUDING ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS; AND THE THIRD INCOME BRACKET SHALL BE OVER ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS UP TO AND INCLUDING TWO HUNDRED FIFTY THOUSAND DOLLARS.

(B) IN ALL OTHER COUNTIES IN THE STATE, THE FIRST INCOME BRACKET SHALL BE UP TO AND INCLUDING NINETY THOUSAND DOLLARS; THE SECOND INCOME BRACKET SHALL BE OVER NINETY THOUSAND DOLLARS AND UP TO AND INCLUDING ONE HUNDRED FIFTY THOUSAND DOLLARS; AND THE THIRD INCOME BRACKET SHALL BE OVER ONE HUNDRED FIFTY THOUSAND DOLLARS AND UP TO AND INCLUDING TWO HUNDRED FIFTY THOUSAND DOLLARS.

(C) SUCH BRACKETS ARE SUBJECT TO INDEXING FOR INFLATION PURSUANT TO SUBDIVISION FIFTEEN OF SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.

(C) ONE REBATE BASE FOR THE ENHANCED STAR EXEMPTION SHALL BE DETERMINED FOR EACH SEGMENT FOR THE TWO THOUSAND NINE--TWO THOUSAND TEN AND SUBSEQUENT SCHOOL YEARS. SUCH REBATE BASES SHALL BE COMPUTED BY DETERMINING THE EXEMPT AMOUNT ESTABLISHED FOR THE SEGMENT FOR PURPOSES OF THE ENHANCED STAR EXEMPTION FOR THE TWO THOUSAND EIGHT--TWO THOUSAND NINE SCHOOL YEAR. FOR THE TWO THOUSAND TEN--TWO THOUSAND ELEVEN AND SUBSEQUENT SCHOOL YEARS, SUCH REBATE BASES SHALL BE COMPUTED BY MULTIPLYING THAT AMOUNT BY THE SCHOOL DISTRICT TAX RATE APPLICABLE WITHIN THAT

SEGMENT FOR PURPOSES OF THAT SCHOOL YEAR, AS REPORTED BY THE SCHOOL DISTRICT, AND THEN MULTIPLYING THE PRODUCT BY THE FOLLOWING:

(I) FOR PURPOSES OF THE TWO THOUSAND TEN--TWO THOUSAND ELEVEN SCHOOL YEAR, BY TWENTY-FIVE PERCENT.

(II) FOR PURPOSES OF THE TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE AND SUBSEQUENT SCHOOL YEARS, BY THIRTY-FIVE PERCENT.

(D) FOR PURPOSES OF THIS SECTION, THE TERM "SEGMENT" MEANS THE PART OF A CITY OR TOWN THAT IS WITHIN A SCHOOL DISTRICT.

(E) IN THE CASE OF SCHOOL DISTRICTS WITHIN SPECIAL ASSESSING UNITS AS DEFINED IN SECTION EIGHTEEN HUNDRED ONE OF THIS CHAPTER, THE SCHOOL DISTRICT TAX RATE TO BE USED FOR THIS PURPOSE SHALL BE THE TAX RATE APPLICABLE TO CLASS ONE PROPERTIES AS DEFINED IN ARTICLE EIGHTEEN OF THIS CHAPTER, AS REPORTED BY THE SCHOOL DISTRICT AND THE EXEMPT AMOUNT SHALL BE ESTABLISHED FOR THE SEGMENT. IN THE CASE OF SCHOOL DISTRICTS WITHIN APPROVED ASSESSING UNITS AS DEFINED IN SECTION NINETEEN HUNDRED ONE OF THIS CHAPTER WHICH HAVE ADOPTED THE PROVISIONS OF SECTION NINETEEN HUNDRED THREE OF THIS CHAPTER, THE SCHOOL DISTRICT TAX RATE TO BE USED FOR THIS PURPOSE SHALL BE THE TAX RATE APPLICABLE TO THE HOMESTEAD CLASS, AS DEFINED IN ARTICLE NINETEEN OF THIS CHAPTER, AS REPORTED BY THE SCHOOL DISTRICT.

(F) WHERE THE PROVISIONS OF SUBPARAGRAPH (IV) OF PARAGRAPH (K) OF SUBDIVISION TWO OF SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER ARE APPLICABLE, THE APPLICABLE REBATE AMOUNT SHALL BE ONE-THIRD OF THE OTHERWISE APPLICABLE REBATE AMOUNT SET FORTH IN PARAGRAPH (B) OR (C) OF THIS SUBDIVISION. THE STATE BOARD SHALL CALCULATE AND CERTIFY TO THE DEPARTMENT OF TAXATION AND FINANCE THE REBATE AMOUNTS APPLICABLE IN SUCH CASES, ALONG WITH THE CERTIFICATION REQUIRED BY PARAGRAPH (A) OF THIS SUBDIVISION.

(G) FOR THE PURPOSES OF THE TWO THOUSAND TEN--TWO THOUSAND ELEVEN SCHOOL YEAR AND EACH YEAR THEREAFTER, TAX REBATES AUTHORIZED PURSUANT TO THIS SECTION SHALL APPLY ONLY TO THOSE OWNERS WHO:

(I) HAVE ATTAINED THE AGE OF SIXTY-FIVE YEARS OR OLDER; AND

(II) HAVE "AFFILIATED INCOME" AS DEFINED IN PARAGRAPH (B) OF SUBDIVISION SIX OF SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW EQUAL TO OR LESS THAN ONE HUNDRED FIFTY THOUSAND DOLLARS.

S 2. The tax law is amended by adding a new section 178 to read as follows:

S 178. "MIDDLE CLASS STAR" REBATE PROGRAM. 1. THE COMMISSIONER SHALL ISSUE THE LOCAL PROPERTY TAX REBATES AUTHORIZED BY SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW EXCEPT AS PROVIDED IN PARAGRAPH (G) OF SUBDIVISION THREE OF SUCH SECTION. FOR PURPOSES OF THIS SECTION THE REBATE SHALL BE CALCULATED USING THE COMPUTATION FORMULA SET FORTH IN SUBDIVISION THREE OF SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW.

2. ON OR BEFORE AUGUST FIFTEENTH, TWO THOUSAND NINE AND EACH YEAR THEREAFTER, THE EXECUTIVE DIRECTOR OF THE OFFICE OF REAL PROPERTY SERVICES, OR HIS OR HER DESIGNEE, OR ON OR BEFORE JULY FIRST, TWO THOUSAND NINE AND EACH YEAR THEREAFTER IN THE CASE OF A CITY WITH A POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, SHALL PROVIDE TO THE COMMISSIONER A REPORT IN A MUTUALLY AGREEABLE FORMAT CONCERNING THOSE PARCELS WHICH SATISFY THE CRITERIA SET FORTH IN SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW.

3. THE COMMISSIONER IN CONSULTATION WITH THE OFFICE OF REAL PROPERTY SERVICES AND IN THE CASE OF A CITY WITH A POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, IS AUTHORIZED TO DEVELOP PROCEDURES NECESSARY TO PROVIDE FOR THE ISSUANCE OF LOCAL PROPERTY TAX REBATES TO

QUALIFYING PROPERTY OWNERS, AND THOSE QUALIFYING PROPERTY OWNERS THAT DID NOT RECEIVE THEM INITIALLY. IF THE COMMISSIONER IS NOT SATISFIED THAT THE PROPERTY OWNER IS QUALIFIED FOR THE LOCAL PROPERTY TAX REBATE, THE COMMISSIONER SHALL NOT ISSUE SUCH REBATE.

4. WHEN THE PROPER PAYMENT OF A TAX REBATE UNDER THIS SECTION DEPENDS UPON CONSTRUCTION OF THE MEANING OF THE PROVISIONS OF SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW (AND ANY RELATED PROVISIONS OF SUCH LAW) OR INTERPRETATION OF THE TERMS CONTAINED THEREIN, IT SHALL BE THE RESPONSIBILITY OF THE STATE BOARD OF REAL PROPERTY SERVICES TO PROVIDE TO THE DEPARTMENT THE CONSTRUCTION OR INTERPRETATION OF ANY SUCH PROVISIONS OR TERMS.

5. BY DEPOSITING A REBATE ISSUED PURSUANT TO THIS SECTION AND AUTHORIZED BY SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW, THE PAYEE IS CERTIFYING THAT HE OR SHE IS THE PROPERTY OWNER, AND THAT THE PRIMARY RESIDENCE OF SUCH PROPERTY OWNER IS NOT SUBJECT TO ANY DELINQUENT SCHOOL TAXES.

6. VERIFICATION OF "AFFILIATED INCOME" FOR "MIDDLE CLASS STAR" REBATE PROGRAM. (A) GENERALLY. THE DETERMINATION OF THE "AFFILIATED INCOME" OF PARCELS FOR PURPOSES OF THE "MIDDLE CLASS STAR" REBATE PROGRAM AS AUTHORIZED BY SUBDIVISION THREE OF SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW SHALL BE MADE AS PROVIDED BY THIS SECTION.

(B) FOR PURPOSES OF THIS SUBDIVISION, THE TERM "INCOME" SHALL HAVE THE SAME MEANING AS SET FORTH IN SUBPARAGRAPH (II) OF PARAGRAPH (B) OF SUBDIVISION FOUR OF SECTION FOUR HUNDRED TWENTY-FIVE OF THE REAL PROPERTY TAX LAW. THE TERM "AFFILIATED INCOME" SHALL MEAN THE COMBINED INCOME OF ALL OF THE OWNERS OF THE PARCEL WHO RESIDED PRIMARILY THEREON ON THE TAXABLE STATUS DATE FOR THE ASSESSMENT ROLL USED TO GENERATE THE APPLICABLE SCHOOL TAX BILLS, AND OF ANY OWNERS' SPOUSES FILING JOINTLY OR SPOUSES' RESIDING PRIMARILY THEREON IN THE CASES OF SPOUSES' FILING SEPARATE RETURNS ON SUCH TAXABLE STATUS DATE AND SHALL BE DETERMINED AS FOLLOWS:

(I) FOR THE TWO THOUSAND NINE--TWO THOUSAND TEN SCHOOL YEAR, AFFILIATED INCOME SHALL BE DETERMINED BASED UPON THE PARTIES' INCOMES FOR THE INCOME TAX YEAR ENDING IN TWO THOUSAND SEVEN. IN EACH SUBSEQUENT YEAR, THE APPLICABLE INCOME TAX YEAR SHALL BE ADVANCED BY ONE YEAR.

(II) THE DEPARTMENT SHALL DETERMINE THE AFFILIATED INCOME FOR EACH PARCEL AND SHALL ASSIGN A REBATE AMOUNT FOR EACH PARCEL BASED UPON SUCH DETERMINATION. IN ANY CASE WHERE AFFILIATED INCOME CANNOT BE DETERMINED, A REBATE SHALL NOT BE ISSUED.

7. NOTIFICATION REQUIREMENT. THE DEPARTMENT SHALL MAIL INFORMATION CONCERNING THE "MIDDLE CLASS STAR" REBATE PROGRAM TO OWNERS OF PARCELS RECEIVING A BASIC STAR EXEMPTION ON THE ASSESSMENT ROLL USED TO GENERATE THE TWO THOUSAND NINE--TWO THOUSAND TEN SCHOOL TAX BILL. SUCH NOTIFICATION SHALL EXPLAIN THAT PROPERTY OWNERS MUST FILE APPLICATIONS WITH THE DEPARTMENT IN ORDER TO OBTAIN THE REBATE AVAILABLE UNDER THE "MIDDLE CLASS STAR" REBATE PROGRAM. SUCH NOTICE SHALL FURTHER EXPLAIN HOW TO OBTAIN THE APPLICATION.

8. APPLICATIONS. (A) IN ORDER TO OBTAIN THE BENEFITS OF THE "MIDDLE CLASS STAR" REBATE PROGRAM, THE PROPERTY OWNER MUST SUBMIT AN APPLICATION TO THE DEPARTMENT NO LATER THAN DECEMBER THIRTY-FIRST, TWO THOUSAND NINE. THE APPLICANT SHALL PROVIDE THE DEPARTMENT WITH SUCH INFORMATION AS MAY BE NECESSARY TO DETERMINE THE PARCEL'S AFFILIATED INCOME. THE PERSONS OTHER THAN THE APPLICANT WHOSE INCOMES ARE NECESSARY TO THE DETERMINATION OF THE PARCEL'S AFFILIATED INCOME SHALL BE REFERRED TO IN THIS SECTION AS "AFFILIATED PERSONS." RECIPIENTS OF THE ENHANCED STAR EXEMPTION SHALL NOT FILE AN APPLICATION TO RECEIVE A REBATE. THE DEPART-

MENT SHALL MAIL ENHANCED STAR REBATE RECIPIENTS THEIR REBATES IN A TIMELY MANNER.

(B) IF THE APPLICANT OR ANY AFFILIATED PERSONS WERE NOT REQUIRED TO FILE NEW YORK STATE INCOME TAX RETURNS FOR THE TWO THOUSAND SEVEN INCOME TAX YEAR BECAUSE THEIR INCOMES WERE BELOW THE THRESHOLD THAT NECESSITATED SUCH FILING, THE APPLICATION SHALL SO INDICATE.

(C) IF THE APPLICANT OR ANY AFFILIATED PERSONS WERE NOT REQUIRED TO FILE NEW YORK STATE INCOME TAX RETURNS FOR THE TWO THOUSAND SEVEN INCOME TAX YEAR BECAUSE THEY DID NOT RESIDE IN NEW YORK STATE IN SUCH TAXABLE YEAR, THE APPLICATION SHALL SO INDICATE. SUCH PERSONS SHALL PROVIDE WITH THE APPLICATION ANY INFORMATION THAT THE DEPARTMENT DETERMINES IS NECESSARY TO CALCULATE THE PARCEL'S AFFILIATED INCOME UNDER THE "MIDDLE CLASS STAR" REBATE PROGRAM.

(D) AFTER TWO THOUSAND NINE, APPLICATIONS SHALL BE REQUIRED ONLY WHEN A NEW APPLICATION FOR A BASIC STAR EXEMPTION FOR REAL PROPERTY TAXATION IS FILED PURSUANT TO SECTION FOUR HUNDRED TWENTY-FIVE OF THE REAL PROPERTY TAX LAW, OR WHEN THERE IS A CHANGE OF OWNERSHIP WHICH DOES NOT NECESSITATE THE FILING OF A NEW APPLICATION FOR A BASIC STAR EXEMPTION. IN EITHER INSTANCE, AN APPLICATION SHALL BE SUBMITTED TO THE DEPARTMENT ON A TIMELY BASIS.

(E) IF AN APPLICATION FOR A "MIDDLE CLASS STAR" REBATE IS RECEIVED AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND NINE, AN OTHERWISE ELIGIBLE PROPERTY OWNER SHALL NOT RECEIVE A REBATE FOR SUCH YEAR. HOWEVER, SUCH APPLICATION SHALL BE CONSIDERED TIMELY FILED FOR A REBATE IN SUBSEQUENT YEARS PROVIDED THE OWNERSHIP OF THE PARCEL REMAINS UNCHANGED.

9. PROCESSING OF APPLICATIONS. (A) AFTER RECEIVING A TIMELY APPLICATION, THE DEPARTMENT SHALL ATTEMPT TO DETERMINE THE AFFILIATED INCOME OF THE PARCEL AND THE REBATE AMOUNT TO WHICH THE PARCEL IS ENTITLED, IF ANY.

(B) IN THE CASE OF AN APPLICATION WHICH INDICATES THAT THE APPLICANT AND ANY AFFILIATED PERSONS WERE NOT REQUIRED TO FILE NEW YORK STATE INCOME TAX RETURNS FOR THE TWO THOUSAND SEVEN INCOME TAX YEAR BECAUSE THEIR INCOMES WERE BELOW THE THRESHOLD WHICH NECESSITATED THE FILING OF A STATE INCOME TAX RETURN, THE DEPARTMENT MAY, SUBJECT TO AUDIT, ISSUE A REBATE EQUAL TO THE HIGHEST AMOUNT AVAILABLE FOR THAT SCHOOL DISTRICT SEGMENT.

(C) IN THE CASE OF AN APPLICATION WHICH INDICATES THAT THE APPLICANT AND ANY AFFILIATED PERSONS WERE NOT REQUIRED TO FILE NEW YORK STATE INCOME TAX RETURNS FOR THE TWO THOUSAND SEVEN INCOME TAX YEAR BECAUSE THEY DID NOT RESIDE IN NEW YORK STATE IN SUCH TAXABLE YEAR, THE APPLICANT SHALL PROVIDE SUCH INFORMATION REGARDING INCOME AS IS REQUESTED BY THE DEPARTMENT. THE DEPARTMENT SHALL ISSUE A REBATE BASED UPON THE INFORMATION PROVIDED BY THE APPLICANT AND ANY OTHER INFORMATION TO WHICH THE DEPARTMENT MAY HAVE ACCESS CONCERNING THE INCOME OF SUCH PERSON OR PERSONS.

10. RECONSIDERATION OF REBATE AMOUNT. IN THE EVENT THE DEPARTMENT IS UNABLE TO DETERMINE THE AFFILIATED INCOME FOR A PARCEL OR THE DEPARTMENT DETERMINES THAT A REBATE SHALL NOT BE ISSUED FOR A PARCEL, THE DEPARTMENT SHALL NOTIFY THE APPLICANT OF THAT FACT. A PROPERTY OWNER MAY SEEK RECONSIDERATION OF THE REBATE AMOUNT DETERMINATION FOR HIS OR HER PARCEL ON THE GROUNDS THAT THE PARCEL'S AFFILIATED INCOME WAS DETERMINED ERRONEOUSLY. A PROPERTY OWNER MAY ALSO SEEK RECONSIDERATION IF NO REBATE WAS ISSUED BECAUSE THE PARCEL'S AFFILIATED INCOME WAS UNDETERMINED. AN APPLICATION FOR RECONSIDERATION OF REBATE AMOUNT SHALL BE MADE IN A MANNER PRESCRIBED BY THE DEPARTMENT, AND SHALL BE ACCOMPANIED BY SUCH DOCUMENTATION AS THE DEPARTMENT MAY REQUIRE. SUCH APPLICATION SHALL BE

FILED NO LATER THAN MARCH THIRTY-FIRST, TWO THOUSAND TEN. IF THE DEPARTMENT FINDS AFTER REVIEWING SUCH AN APPLICATION THAT THE REBATE AMOUNT DETERMINATION FOR A PARCEL SHOULD BE CORRECTED, IT SHALL ISSUE AN AMENDED OR INITIAL REBATE CHECK. IF THE DEPARTMENT FINDS AFTER REVIEWING SUCH AN APPLICATION THAT THE REBATE AMOUNT DETERMINATION FOR THE PARCEL WAS CORRECTLY DETERMINED, IT SHALL SO NOTIFY THE APPLICANT. SUCH NOTIFICATION SHALL INCLUDE AN EXPLANATION OF THE DEPARTMENT'S FINDINGS, INDICATE THAT THE APPLICANT HAS THE RIGHT TO A PROCEEDING UNDER ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES, AND INDICATE THE STATUTE OF LIMITATIONS ASSOCIATED WITH SUCH PROCEEDINGS. SUCH FINDING SHALL BE SUBJECT TO REVIEW PURSUANT ONLY TO A PROCEEDING UNDER ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES.

11. SPECIAL PROVISIONS RELATING TO CO-OPERATIVE APARTMENT UNITS AND MOBILE HOMES. THE DEPARTMENT'S DETERMINATION OF AFFILIATED INCOME SHALL BE MADE WITH RESPECT TO THE TENANT-SHAREHOLDERS OR OWNERS OF THE UNIT IN QUESTION RATHER THAN OF THE PARCEL.

12. SUBSEQUENT YEARS. IN EACH YEAR SUBSEQUENT TO TWO THOUSAND NINE, AFFILIATED INCOMES SHALL CONTINUE TO BE DETERMINED AS PROVIDED BY THIS SECTION FOR PURPOSES OF THE "MIDDLE CLASS STAR" REBATE PROGRAM, EXCEPT THAT:

(A) THE NOTIFICATION REQUIREMENT OF SUBDIVISION SEVEN OF THIS SECTION SHALL NOT BE APPLICABLE;

(B) APPLICATIONS SHALL BE REQUIRED ONLY AS PROVIDED IN SUBDIVISION EIGHT OF THIS SECTION; AND

(C) IN EACH SUBSEQUENT YEAR, THE APPLICABLE INCOME TAX YEAR FOR DETERMINATIONS UNDER THIS SECTION SHALL BE ADVANCED ONE YEAR. ALL OTHER APPLICABLE DATES AND DEADLINES WHICH REFERENCE A DATE IN TWO THOUSAND NINE SHALL BE ADVANCED AND SHALL BE DEEMED TO REFERENCE DATES IN THAT SUBSEQUENT YEAR, EXCEPT THAT APPLICATIONS FOR RECONSIDERATION OF REBATE AMOUNT DETERMINATIONS SHALL BE SUBMITTED NO LATER THAN MARCH THIRTY-FIRST OF THE ENSUING YEAR.

13. CONFIDENTIAL INFORMATION; DISCLOSURE PROHIBITION. INFORMATION REGARDING REBATES ISSUED TO INDIVIDUALS SHALL NOT BE SUBJECT TO DISCLOSURE; INCLUDING NAMES, ADDRESSES, AND DOLLAR AMOUNTS OF REBATES. IN ADDITION, ALL APPLICATIONS SUBMITTED FOR REBATES SHALL NOT BE SUBJECT TO DISCLOSURE.

14. DEADLINE. IF ANY APPLICABLE DEADLINE SHALL FALL ON A SATURDAY, SUNDAY OR LEGAL HOLIDAY, SUCH DEADLINE SHALL BE ADVANCED TO THE NEXT BUSINESS DAY.

15. AFFILIATED INCOME BRACKETS; INDEXING. THE DEPARTMENT SHALL ESTABLISH THE AFFILIATED INCOME BRACKETS TO BE ASSOCIATED WITH THE REBATE AMOUNTS FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR AND EACH SCHOOL YEAR THEREAFTER BY APPLYING THE INFLATION FACTOR SET FORTH IN THIS SUBDIVISION TO THE FIGURES THAT DEFINED THE INCOME BRACKETS THAT WERE APPLICABLE TO THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR, AND ROUNDING EACH RESULT TO THE NEAREST MULTIPLE OF ONE HUNDRED DOLLARS. FOR PURPOSES OF THIS SUBDIVISION, THE "INFLATION FACTOR" FOR EACH INCOME BRACKET SHALL BE DETERMINED BY THE PERCENTAGE INCREASE IN THE CONSUMER PRICE INDEX FOR URBAN WAGE EARNERS AND CLERICAL WORKERS (CPI-W) PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, FOR THE THIRD QUARTER OF THE CALENDAR YEAR PRECEDING THE APPLICABLE SCHOOL YEAR, AS COMPARED TO THE THIRD QUARTER OF THE PRIOR CALENDAR YEAR. IF A BASE FIGURE AS SO DETERMINED IS NOT EXACTLY EQUAL TO A MULTIPLE OF ONE HUNDRED DOLLARS, IT SHALL BE ROUNDED TO THE NEAREST MULTIPLE OF ONE HUNDRED DOLLARS. IN EACH SUBSEQUENT

SCHOOL YEAR, THE PRIOR YEAR'S INCOME BRACKETS SHALL BE INDEXED USING THE ABOVE FORMULA WITH EACH YEAR ADVANCED BY ONE YEAR.

S 3. Section 606 of the tax law is amended by adding a new subsection (qq) to read as follows:

(QQ) MIDDLE CLASS CIRCUIT BREAKER CREDIT. (1) DEFINITIONS. FOR THE PURPOSES OF THIS SUBSECTION:

(A) "QUALIFIED TAXPAYER" MEANS A RESIDENT INDIVIDUAL OF THE STATE WHO OWNS OR RENTS THE RESIDENTIAL REAL PROPERTY IN WHICH HE OR SHE RESIDES, AND HAS RESIDED IN SUCH RESIDENTIAL REAL PROPERTY FOR NOT LESS THAN THREE YEARS.

(B) "HOUSEHOLD" OR "MEMBERS OF THE HOUSEHOLD" MEANS A QUALIFIED TAXPAYER OR QUALIFIED TAXPAYERS AND ALL OTHER PERSONS, NOT NECESSARILY RELATED, WHO ALL RESIDE IN THE RESIDENTIAL REAL PROPERTY OWNED BY THE TAXPAYER OR TAXPAYERS, AND SHARE ITS FURNISHINGS, FACILITIES AND ACCOMMODATIONS; PROVIDED THAT NO PERSON MAY BE A MEMBER OF MORE THAN ONE HOUSEHOLD AT ONE TIME.

(C) "HOUSEHOLD GROSS INCOME" MEANS THE AGGREGATE ADJUSTED GROSS INCOME OF ALL MEMBERS OF THE HOUSEHOLD FOR THE TAXABLE YEAR AS REPORTED FOR FEDERAL INCOME TAX PURPOSES, OR WHICH WOULD BE REPORTED AS ADJUSTED GROSS INCOME IF A FEDERAL INCOME TAX RETURN WERE REQUIRED TO BE FILED, WITH THE MODIFICATIONS IN SUBSECTION (B) OF SECTION SIX HUNDRED TWELVE OF THIS ARTICLE BUT WITHOUT THE MODIFICATIONS IN SUBSECTION (C) OF SUCH SECTION, PLUS ANY PORTION OF THE GAIN FROM THE SALE OR EXCHANGE OF PROPERTY OTHERWISE EXCLUDED FROM SUCH AMOUNT; EARNED INCOME FROM SOURCES WITHOUT THE UNITED STATES EXCLUDABLE FROM FEDERAL GROSS INCOME BY SECTION NINE HUNDRED ELEVEN OF THE INTERNAL REVENUE CODE; SUPPORT MONEY NOT INCLUDED IN ADJUSTED GROSS INCOME; NONTAXABLE STRIKE BENEFITS; SUPPLEMENTAL SECURITY INCOME PAYMENTS; THE GROSS AMOUNT OF ANY PENSION OR ANNUITY BENEFITS TO THE EXTENT NOT INCLUDED IN SUCH ADJUSTED GROSS INCOME (INCLUDING, BUT NOT LIMITED TO, RAILROAD RETIREMENT BENEFITS AND ALL PAYMENTS RECEIVED UNDER THE FEDERAL SOCIAL SECURITY ACT AND VETERANS' DISABILITY PENSIONS); NONTAXABLE INTEREST RECEIVED FROM THE STATE OF NEW YORK, ITS AGENCIES, INSTRUMENTALITIES, PUBLIC CORPORATIONS, OR POLITICAL SUBDIVISIONS (INCLUDING A PUBLIC CORPORATION CREATED PURSUANT TO AGREEMENT OR COMPACT WITH ANOTHER STATE OR CANADA); WORKERS' COMPENSATION; THE GROSS AMOUNT OF "LOSS-OF-TIME" INSURANCE; AND THE AMOUNT OF CASH PUBLIC ASSISTANCE AND RELIEF, OTHER THAN MEDICAL ASSISTANCE FOR THE NEEDY, PAID TO OR FOR THE BENEFIT OF THE QUALIFIED TAXPAYER OR MEMBERS OF HIS OR HER HOUSEHOLD. HOUSEHOLD GROSS INCOME SHALL NOT INCLUDE SURPLUS FOODS OR OTHER RELIEF IN KIND OR PAYMENTS MADE TO INDIVIDUALS BECAUSE OF THEIR STATUS AS VICTIMS OF NAZI PERSECUTION AS DEFINED IN PUBLIC LAW 103-286 OR ANY DISABILITY COMPENSATION RECEIVED BY VETERANS ON ACCOUNT OF INJURY OR ILLNESS INCURRED OR AGGRAVATED DURING MILITARY SERVICE IN THE WARS IN AFGHANISTAN AND IRAQ SINCE SEPTEMBER ELEVENTH, TWO THOUSAND ONE. PROVIDED, FURTHER, HOUSEHOLD GROSS INCOME SHALL ONLY INCLUDE ALL SUCH INCOME RECEIVED BY ALL MEMBERS OF THE HOUSEHOLD WHILE MEMBERS OF SUCH HOUSEHOLD. FOR FARM FAMILIES EARNING AT LEAST FIFTY PERCENT OF THEIR INCOME FROM FARMING, "ADJUSTED GROSS INCOME" SHALL BE REPLACED WITH "MODIFIED ADJUSTED GROSS INCOME" FOR FEDERAL TAX PURPOSES AS REPORTED ON THE APPLICANT'S FEDERAL AND STATE INCOME TAX RETURNS FOR THE APPLICABLE INCOME TAX YEAR.

(D) "ADJUSTED RENT" MEANS RENT PAID FOR THE RIGHT OF OCCUPANCY OF A RESIDENCE.

(E) "REAL PROPERTY TAX EQUIVALENT" MEANS (1) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND TEN, FIFTEEN PERCENT OF THE ADJUSTED RENT ACTUALLY PAID IN THE TAXABLE YEAR BY A HOUSEHOLD SOLELY FOR THE RIGHT OF OCCUPAN-

CY OF ITS NEW YORK RESIDENCE FOR THE TAXABLE YEAR. IF (I) A RESIDENCE IS RENTED TO TWO OR MORE INDIVIDUALS AS COTENANTS, OR SUCH INDIVIDUALS SHARE IN THE PAYMENT OF A SINGLE RENT FOR THE RIGHT OF OCCUPANCY OF SUCH RESIDENCE, AND (II) EACH OF SUCH INDIVIDUALS IS A MEMBER OF A DIFFERENT HOUSEHOLD, ONE OR MORE OF WHICH INDIVIDUALS SHARES SUCH RESIDENCE, REAL PROPERTY TAX EQUIVALENT IS THAT PORTION OF FIFTEEN PERCENT OF THE ADJUSTED RENT PAID IN THE TAXABLE YEAR WHICH REFLECTS THAT PORTION OF THE RENT ATTRIBUTABLE TO THE QUALIFIED TAXPAYER AND THE MEMBERS OF HIS OR HER HOUSEHOLD; AND (2) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND ELEVEN AND THEREAFTER, TWENTY PERCENT OF THE ADJUSTED RENT ACTUALLY PAID IN THE TAXABLE YEAR BY A HOUSEHOLD SOLELY FOR THE RIGHT OF OCCUPANCY OF ITS NEW YORK RESIDENCE FOR THE TAXABLE YEAR. IF (I) A RESIDENCE IS RENTED TO TWO OR MORE INDIVIDUALS AS COTENANTS, OR SUCH INDIVIDUALS SHARE IN THE PAYMENT OF A SINGLE RENT FOR THE RIGHT OF OCCUPANCY OF SUCH RESIDENCE, AND (II) EACH OF SUCH INDIVIDUALS IS A MEMBER OF A DIFFERENT HOUSEHOLD, ONE OR MORE OF WHICH INDIVIDUALS SHARES SUCH RESIDENCE, REAL PROPERTY TAX EQUIVALENT IS THAT PORTION OF TWENTY PERCENT OF THE ADJUSTED RENT PAID IN THE TAXABLE YEAR WHICH REFLECTS THAT PORTION OF THE RENT ATTRIBUTABLE TO THE QUALIFIED TAXPAYER AND THE MEMBERS OF HIS OR HER HOUSEHOLD.

(F) "NET REAL PROPERTY TAX" MEANS THE REAL PROPERTY TAXES ASSESSED ON THE RESIDENTIAL REAL PROPERTY OWNED AND OCCUPIED BY THE TAXPAYER OR TAXPAYERS AFTER ANY EXEMPTION OR ABATEMENT RECEIVED PURSUANT TO THE REAL PROPERTY TAX LAW, OR ANY REBATE RECEIVED PURSUANT TO SECTION THIRTEEN HUNDRED SIX-B OF SUCH LAW.

(2) CREDIT. A QUALIFIED TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAXES IMPOSED BY THIS ARTICLE, EQUAL TO SEVENTY PERCENT OF THE AMOUNT BY WHICH THE TAXPAYER'S NET REAL PROPERTY TAX OR THE TAXPAYER'S REAL PROPERTY TAX EQUIVALENT EXCEEDS THE TAXPAYER'S MAXIMUM REAL PROPERTY TAX, AS DETERMINED BY PARAGRAPH THREE OF THIS SUBSECTION. IF SUCH CREDIT EXCEEDS THE TAX FOR SUCH TAXABLE YEAR, AS REDUCED BY THE OTHER CREDITS PERMITTED BY THIS ARTICLE, THE QUALIFIED TAXPAYER MAY RECEIVE, AND THE COMPTROLLER, SUBJECT TO A CERTIFICATE OF THE DEPARTMENT, SHALL PAY AS AN OVERPAYMENT, WITHOUT INTEREST, ANY EXCESS BETWEEN SUCH TAX AS SO REDUCED AND THE AMOUNT OF THE CREDIT. IF A QUALIFIED TAXPAYER IS NOT REQUIRED TO FILE A RETURN PURSUANT TO SECTION SIX HUNDRED FIFTY-ONE OF THIS ARTICLE, A QUALIFIED TAXPAYER MAY NEVERTHELESS RECEIVE AND THE COMPTROLLER, SUBJECT TO A CERTIFICATE OF THE DEPARTMENT, SHALL PAY AS AN OVERPAYMENT THE FULL AMOUNT OF THE CREDIT, WITHOUT INTEREST.

(3) MAXIMUM REAL PROPERTY TAX. A QUALIFIED TAXPAYER'S MAXIMUM REAL PROPERTY TAX SHALL BE DETERMINED AS FOLLOWS:

(A) IN THE CITY OF NEW YORK, AND THE COUNTIES OF NASSAU, SUFFOLK, ROCKLAND, WESTCHESTER, PUTNAM, ORANGE AND DUTCHESS:

HOUSEHOLD GROSS INCOME	MAXIMUM REAL PROPERTY TAX
ONE HUNDRED TWENTY THOUSAND DOLLARS OR LESS	SIX PERCENT OF THE HOUSEHOLD GROSS INCOME
MORE THAN ONE HUNDRED TWENTY THOUSAND DOLLARS, BUT LESS THAN OR EQUAL TO ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS	SIX PERCENT OF ONE HUNDRED TWENTY THOUSAND DOLLARS PLUS SEVEN PERCENT OF HOUSEHOLD GROSS INCOME ABOVE ONE HUNDRED TWENTY THOUSAND DOLLARS
MORE THAN ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS, BUT LESS	SIX PERCENT OF ONE HUNDRED TWENTY THOUSAND DOLLARS PLUS SEVEN

THAN OR EQUAL TO TWO HUNDRED FIFTY THOUSAND DOLLARS	PERCENT OF FIFTY-FIVE THOUSAND DOLLARS PLUS EIGHT PERCENT OF HOUSEHOLD GROSS INCOME ABOVE ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS
MORE THAN TWO HUNDRED FIFTY THOUSAND DOLLARS	NO LIMITATION.

(B) IN ALL OTHER COUNTIES OF THE STATE:

HOUSEHOLD GROSS INCOME	MAXIMUM REAL PROPERTY TAX
NINETY THOUSAND DOLLARS OR LESS	SIX PERCENT OF THE HOUSEHOLD GROSS INCOME
MORE THAN NINETY THOUSAND DOLLARS, BUT LESS THAN OR EQUAL TO ONE HUNDRED FIFTY THOUSAND DOLLARS	SIX PERCENT OF NINETY THOUSAND DOLLARS PLUS SEVEN PERCENT OF HOUSEHOLD GROSS INCOME ABOVE NINETY THOUSAND DOLLARS
MORE THAN ONE HUNDRED FIFTY THOUSAND DOLLARS, BUT LESS THAN OR EQUAL TO TWO HUNDRED FIFTY THOUSAND DOLLARS	SIX PERCENT OF NINETY THOUSAND DOLLARS PLUS SEVEN PERCENT OF SIXTY THOUSAND DOLLARS PLUS EIGHT PERCENT OF HOUSEHOLD GROSS INCOME ABOVE ONE HUNDRED FIFTY THOUSAND DOLLARS
MORE THAN TWO HUNDRED FIFTY THOUSAND DOLLARS	NO LIMITATION.

S 4. Subparagraphs (A) and (B) of paragraph 2 of subsection (e) of section 1310 of the tax law, as amended by section 4 of part M of chapter 57 of the laws of 2009, are amended to read as follows:

(A) Married individuals filing joint returns and surviving spouses. In the case of a husband and wife who make a single return jointly and of a surviving spouse:

For taxable years beginning:	The credit shall be:
in 2001-2005	$125
in 2006	$230
in 2007-2008	$290
in 2009 [and after]	[$125] $310
AFTER 2009	$125

(B) All others. In the case of an unmarried individual, a head of a household or a married individual filing a separate return:

For taxable years beginning:	The credit shall be:
in 2001-2005	$62.50
in 2006	$115
in 2007-2008	$145
in 2009 [and after]	[$62.50] $155
AFTER 2009	$62.50

S 5. Subparagraphs (A) and (B) of paragraph 2 of subdivision (c) of section 11-1706 of the administrative code of the city of New York, as amended by section 5 of part M of chapter 57 of the laws of 2009, are amended to read as follows:

(A) Married individuals filing joint returns and surviving spouses. In the case of a husband and wife who make a single return jointly and of a surviving spouse:

For taxable years beginning:	The credit shall be:
in 2001-2005	$125
in 2006	$230
in 2007-2008	$290
in 2009 [and after]	[$125] $310
AFTER 2009	$125

(B) All others. In the case of an unmarried individual, a head of a household or a married individual filing a separate return:

For taxable years beginning:	The credit shall be:
in 2001-2005	$62.50
in 2006	$115
in 2007-2008	$145
in 2009 [and after]	[$65.50] $155
AFTER 2009	$65.50

S 6. Subsection (e) of section 1310 of the tax law, as added by section 135 of part A of chapter 389 of the laws of 1997, is amended by adding a new paragraph 3 to read as follows:

(3) NOTWITHSTANDING THE SCHEDULE OF CREDIT IN SUBPARAGRAPHS (A) AND (B) OF PARAGRAPH TWO OF THIS SUBSECTION, STARTING IN TWO THOUSAND TEN TAXPAYERS WHO:

(A) ARE SIXTY-FIVE YEARS OR OLDER AS OF DECEMBER THIRTY-FIRST, TWO THOUSAND TEN AND FOR EACH SUBSEQUENT TAX YEAR THE APPLICABLE DATE SHALL BE ADVANCED BY ONE YEAR; AND

(B) WHERE THE HOUSEHOLD GROSS INCOME IS LESS THAN ONE HUNDRED FIFTY THOUSAND DOLLARS

SHALL INSTEAD BE ENTITLED TO A CREDIT OF THREE HUNDRED THIRTY-FIVE DOLLARS FOR MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES AND ONE HUNDRED SIXTY-SEVEN DOLLARS AND FIFTY CENTS FOR ALL OTHERS, INCLUDING AN UNMARRIED INDIVIDUAL, A HEAD OF HOUSEHOLD OR A MARRIED INDIVIDUAL FILING A SEPARATE RETURN. THE REBATE AMOUNTS AND INCOME LIMITATIONS SHALL BE ADJUSTED ANNUALLY BY APPLYING THE INFLATION FACTOR SET FORTH IN PARAGRAPH TWO OF THIS SUBSECTION.

S 7. Subdivision (c) of section 11-1706 of the administrative code of the city of New York, as added by section 137 of part A of chapter 389 of the laws of 1997, is amended by adding a new paragraph 3 to read as follows:

(3) NOTWITHSTANDING THE SCHEDULE OF CREDIT IN SUBPARAGRAPHS (A) AND (B) OF PARAGRAPH TWO OF THIS SUBDIVISION, STARTING IN TWO THOUSAND TEN TAXPAYERS WHO:

(A) ARE SIXTY-FIVE YEARS OR OLDER AS OF DECEMBER THIRTY-FIRST, TWO THOUSAND TEN AND FOR EACH SUBSEQUENT TAX YEAR THE APPLICABLE DATE SHALL BE ADVANCED BY ONE YEAR; AND

(B) WHERE THE HOUSEHOLD GROSS INCOME IS LESS THAN ONE HUNDRED FIFTY THOUSAND DOLLARS

SHALL INSTEAD BE ENTITLED TO A CREDIT OF THREE HUNDRED THIRTY-FIVE DOLLARS FOR MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES AND ONE HUNDRED SIXTY-SEVEN DOLLARS AND FIFTY CENTS FOR ALL OTHERS, INCLUDING AN UNMARRIED INDIVIDUAL, A HEAD OF HOUSEHOLD OR A MARRIED INDIVIDUAL FILING A SEPARATE RETURN. THE REBATE AMOUNTS AND INCOME LIMITATIONS SHALL BE ADJUSTED ANNUALLY BY APPLYING THE INFLATION FACTOR SET FORTH IN PARAGRAPH TWO OF THIS SUBDIVISION.

S 8. This act shall take effect immediately.