

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

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I N A S S E M B L Y

(PREFILED)

January 9, 2013

Introduced by M. of A. THIELE, SKARTADOS -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law and the tax law, in relation to reinstating the "Middle Class STAR" rebate program

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

1 Section 1. The real property tax law is amended by adding a new
2 section 1306-b to read as follows:
3 S 1306-B. "MIDDLE CLASS STAR" REBATE PROGRAM. 1. TAX REBATES. (A) FOR
4 THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR AND EACH
5 YEAR THEREAFTER IF A PARCEL IS ENTITLED TO THE ENHANCED STAR EXEMPTION
6 AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER, A LOCAL
7 PROPERTY TAX REBATE SHALL BE PROVIDED TO THE OWNER OR OWNERS OF SUCH
8 PARCEL AS SHOWN ON THE FINAL ASSESSMENT ROLL FOR SUCH YEAR, IN AN AMOUNT
9 COMPUTED AS PRESCRIBED BY THIS SECTION AND SECTION ONE HUNDRED SEVENTY-
10 EIGHT OF THE TAX LAW.
11 (B) FOR THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN SCHOOL YEAR
12 AND EACH YEAR THEREAFTER IF A PARCEL IS ENTITLED TO THE BASIC STAR
13 EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAP-
14 TER, A LOCAL PROPERTY TAX REBATE SHALL BE PROVIDED TO THE OWNER OR
15 OWNERS OF SUCH PARCEL AS SHOWN ON THE FINAL ASSESSMENT ROLL FOR SUCH
16 YEAR, IN AN AMOUNT COMPUTED AS PRESCRIBED BY THIS SECTION AND SECTION
17 ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.
18 (C) IT SHALL BE THE RESPONSIBILITY OF THE STATE DEPARTMENT OF TAXATION
19 AND FINANCE TO ISSUE SUCH TAX REBATES TO SUCH OWNERS IN THE MANNER
20 PROVIDED BY SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW. NOTHING
21 CONTAINED HEREIN SHALL BE CONSTRUED AS PERMITTING PARTIAL OR INSTALLMENT
22 PAYMENTS OF TAXES IN A JURISDICTION WHICH HAS NOT AUTHORIZED THE SAME
23 PURSUANT TO LAW.

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

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1 2. PROCEDURE. (A) ON OR BEFORE AUGUST FIFTEENTH, TWO THOUSAND THIRTEEN
2 AND EACH YEAR THEREAFTER, THE COMMISSIONER OF TAXATION AND FINANCE, OR
3 HIS OR HER DESIGNEE, SHALL CREATE A REPORT CONCERNING THOSE PARCELS
4 WHICH HAVE BEEN GRANTED AN EXCEPTION AUTHORIZED BY SECTION FOUR HUNDRED
5 TWENTY-FIVE OF THIS CHAPTER, OR ON OR BEFORE JULY FIRST, TWO THOUSAND
6 THIRTEEN AND EACH YEAR THEREAFTER, IN THE CASE OF A CITY WITH A POPU-
7 LATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, OR HIS OR
8 HER DESIGNEE, SHALL PROVIDE TO THE COMMISSIONER OF TAXATION AND FINANCE
9 A REPORT IN A MUTUALLY AGREEABLE FORMAT CONCERNING THOSE PARCELS WHICH
10 HAVE BEEN GRANTED AN EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED TWEN-
11 TY-FIVE OF THIS CHAPTER ON THE ASSESSMENT ROLLS USED TO GENERATE THE
12 SCHOOL TAX BILLS FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN
13 SCHOOL TAX YEAR AND FOR EACH YEAR THEREAFTER; PROVIDED HOWEVER THE
14 INFORMATION TO BE PROVIDED ON SUCH REPORT SHALL BE OBTAINED FROM THE
15 FINAL ASSESSMENT ROLL DATA FILES USED TO GENERATE THE TWO THOUSAND THIR-
16 TEEN--TWO THOUSAND FOURTEEN SCHOOL TAX BILLS AND EACH YEAR THEREAFTER,
17 FILED WITH THE DEPARTMENT OF TAXATION AND FINANCE PURSUANT TO SECTION
18 FIFTEEN HUNDRED NINETY OF THIS CHAPTER ON OR BEFORE JULY THIRTY-FIRST OF
19 SUCH YEAR. SUCH REPORT SHALL SET FORTH THE NAMES AND MAILING ADDRESSES
20 OF THE OWNERS OF SUCH PARCELS AS SHOWN ON SUCH ASSESSMENT ROLL DATA
21 FILES, THE IDENTIFICATION NUMBERS OF SUCH PARCELS AS SHOWN ON SUCH
22 ASSESSMENT ROLL DATA FILES, AND SUCH OTHER INFORMATION IN THE POSSESSION
23 OF THE DEPARTMENT OF TAXATION AND FINANCE, OR IN THE CASE OF A CITY WITH
24 A POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, AS THE
25 COMMISSIONER OF TAXATION AND FINANCE MAY DEEM NECESSARY FOR THE EFFEC-
26 TIVE ADMINISTRATION OF THIS PROGRAM, INCLUDING INFORMATION REGARDING
27 COOPERATIVE APARTMENT BUILDINGS AND MOBILE HOME PARKS OR SIMILAR PROPER-
28 TY. IT SHALL BE THE RESPONSIBILITY OF THE ASSESSOR OR ASSESSORS OF EACH
29 ASSESSING UNIT TO ENSURE THAT THE NAMES AND MAILING ADDRESSES OF SUCH
30 OWNERS ARE ACCURATELY RECORDED ON SUCH ROLLS AND FILES TO THE BEST OF
31 HIS OR HER ABILITY, BASED UPON THE INFORMATION CONTAINED IN HIS OR HER
32 OFFICE. NOTHING CONTAINED IN THIS SUBDIVISION SHALL BE CONSTRUED AS
33 AFFECTING IN ANY WAY THE VALIDITY OR ENFORCEABILITY OF A REAL PROPERTY
34 TAX, OR THE APPLICABILITY OF INTEREST OR PENALTIES WITH RESPECT THERETO,
35 WHEN AN OWNER'S NAME OR MAILING ADDRESS HAS NOT BEEN ACCURATELY
36 RECORDED.

37 (B) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVI-
38 SION, WHERE AN ASSESSING UNIT CONTAINS ONE OR MORE PROPERTIES WHICH ARE
39 RECEIVING SUCH EXEMPTION IN RELATION TO A PRIOR YEAR ASSESSMENT ROLL
40 PURSUANT TO PARAGRAPH (D) OF SUBDIVISION SIX OF SECTION FOUR HUNDRED
41 TWENTY-FIVE OF THIS CHAPTER, OR CONTAINS ONE OR MORE PARCELS WITH
42 RESPECT TO WHICH SUCH EXEMPTION WAS DULY ADDED OR REMOVED AFTER THE
43 FILING OF THE FINAL ASSESSMENT ROLL PURSUANT TO THE PROVISIONS OF TITLE
44 THREE OF ARTICLE FIVE OF THIS CHAPTER, THE DEPARTMENT OF TAXATION AND
45 FINANCE MAY REQUIRE THE ASSESSOR TO FILE WITH IT, ON OR BEFORE JULY
46 THIRTY-FIRST, TWO THOUSAND THIRTEEN AND EACH YEAR THEREAFTER, OR SUCH
47 LATER DATE AS SUCH OFFICE MAY SPECIFY, A SUPPLEMENTAL REPORT RELATING TO
48 SUCH PROPERTY OR PROPERTIES, SO THAT INFORMATION PERTAINING TO THE
49 OWNERS THEREOF MAY BE INCLUDED IN THE REPORT TO BE MADE TO THE COMMIS-
50 SIONER OF TAXATION AND FINANCE PURSUANT TO THIS PARAGRAPH. WHEN ANY
51 INFORMATION REQUIRED BY THIS PARAGRAPH IS RECEIVED BY THE DEPARTMENT OF
52 TAXATION AND FINANCE AFTER JULY THIRTY-FIRST, TWO THOUSAND THIRTEEN AND
53 EACH YEAR THEREAFTER, SUCH INFORMATION SHALL BE TRANSMITTED AS SOON AS
54 REASONABLY PRACTICABLE FOR USE IN ISSUING LOCAL PROPERTY TAX REBATES
55 PURSUANT TO SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.

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

4 (B) THREE REBATE BASES FOR THE BASIC STAR EXEMPTION SHALL BE DETER-
5 MINED FOR EACH SEGMENT FOR THE TWO THOUSAND FOURTEEN--TWO THOUSAND
6 FIFTEEN AND SUBSEQUENT SCHOOL YEARS. SUCH REBATE BASES SHALL BE COMPUTED
7 BY DETERMINING THE EXEMPT AMOUNT ESTABLISHED FOR THE SEGMENT FOR
8 PURPOSES OF THE BASIC STAR EXEMPTION FOR THE TWO THOUSAND THIRTEEN--TWO
9 THOUSAND FOURTEEN SCHOOL YEAR, MULTIPLYING THAT AMOUNT BY THE SCHOOL
10 DISTRICT TAX RATE APPLICABLE WITHIN THAT SEGMENT FOR PURPOSES OF THE TWO
11 THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR, AS REPORTED BY THE
12 SCHOOL DISTRICT, AND THEN MULTIPLYING THE PRODUCT BY THE FOLLOWING:

13 (I) FOR PURPOSES OF THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN
14 SCHOOL YEAR AND THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN SCHOOL
15 YEAR, BY SIXTY PERCENT FOR THE FIRST INCOME BRACKET, FORTY-FIVE PERCENT
16 FOR THE SECOND INCOME BRACKET AND THIRTY PERCENT FOR THE THIRD INCOME
17 BRACKET.

18 (II) FOR PURPOSES OF THE TWO THOUSAND SIXTEEN--TWO THOUSAND SEVENTEEN
19 SCHOOL YEAR, BY SEVENTY PERCENT FOR THE FIRST INCOME BRACKET, FIFTY-TWO
20 AND ONE-HALF PERCENT FOR THE SECOND INCOME BRACKET, AND THIRTY-FIVE
21 PERCENT FOR THE THIRD INCOME BRACKET.

22 (III) FOR PURPOSES OF THE TWO THOUSAND SEVENTEEN--TWO THOUSAND EIGH-
23 TEEN AND SUBSEQUENT SCHOOL YEARS, BY EIGHTY PERCENT FOR THE FIRST INCOME
24 BRACKET, SIXTY PERCENT FOR THE SECOND INCOME BRACKET, AND FORTY PERCENT
25 FOR THE THIRD INCOME BRACKET.

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

34 (B) IN ALL OTHER COUNTIES IN THE STATE, THE FIRST INCOME BRACKET SHALL
35 BE UP TO AND INCLUDING NINETY THOUSAND DOLLARS; THE SECOND INCOME BRACK-
36 ET SHALL BE OVER NINETY THOUSAND DOLLARS AND UP TO AND INCLUDING ONE
37 HUNDRED FIFTY THOUSAND DOLLARS; AND THE THIRD INCOME BRACKET SHALL BE
38 OVER ONE HUNDRED FIFTY THOUSAND DOLLARS AND UP TO AND INCLUDING TWO
39 HUNDRED FIFTY THOUSAND DOLLARS.

40 (C) SUCH BRACKETS SHALL BE SUBJECT TO INDEXING FOR INFLATION PURSUANT
41 TO SUBDIVISION FOURTEEN OF SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX
42 LAW.

43 (C) ONE REBATE BASE FOR THE ENHANCED STAR EXEMPTION SHALL BE DETER-
44 MINED FOR EACH SEGMENT FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOUR-
45 TEEN AND SUBSEQUENT SCHOOL YEARS. SUCH REBATE BASES SHALL BE COMPUTED BY
46 DETERMINING THE EXEMPT AMOUNT ESTABLISHED FOR THE SEGMENT FOR PURPOSES
47 OF THE ENHANCED STAR EXEMPTION FOR THE TWO THOUSAND TWELVE--TWO THOUSAND
48 THIRTEEN SCHOOL YEAR, MULTIPLYING THAT AMOUNT BY THE SCHOOL DISTRICT TAX
49 RATE APPLICABLE WITHIN THAT SEGMENT FOR PURPOSES OF THAT SCHOOL YEAR, AS
50 REPORTED BY THE SCHOOL DISTRICT, AND THEN MULTIPLYING THE PRODUCT BY THE
51 FOLLOWING:

52 (I) FOR PURPOSES OF THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN
53 SCHOOL YEAR, BY TWENTY-FIVE PERCENT.

54 (II) FOR PURPOSES OF THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN
55 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 DEPARTMENT OF TAXATION AND FINANCE SHALL CALCULATE AND CERTIFY THE REBATE AMOUNTS APPLICABLE IN SUCH CASES, ALONG WITH THE CERTIFICATION REQUIRED BY PARAGRAPH (A) OF THIS SUBDIVISION.

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. 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. PROVIDED, HOWEVER, SUCH REBATES SHALL NOT BE ISSUED IN ANY YEAR IN WHICH AN APPROPRIATION TO PAY SUCH REBATES HAS NOT BEEN INCLUDED IN THE ENACTED STATE BUDGET FOR SUCH YEAR.

2. ON OR BEFORE AUGUST FIFTEENTH, TWO THOUSAND THIRTEEN AND EACH YEAR THEREAFTER, THE COMMISSIONER, OR HIS OR HER DESIGNEE, SHALL CREATE A REPORT CONCERNING THOSE PARCELS WHICH SATISFY THE CRITERIA SET FORTH IN SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW, OR ON OR BEFORE JULY FIRST, TWO THOUSAND THIRTEEN 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 COMMISSIONER OF FINANCE, FOR A CITY WITH A POPULATION OF ONE MILLION OR MORE, 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. 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.

5. VERIFICATION OF "AFFILIATED INCOME" FOR "MIDDLE CLASS STAR" REBATE PROGRAM. (A) THE DETERMINATION OF THE "AFFILIATED INCOME" OF PARCELS FOR PURPOSES OF THE "MIDDLE CLASS STAR" REBATE PROGRAM AS AUTHORIZED BY

1 SUBDIVISION THREE OF SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY
2 TAX LAW SHALL BE MADE AS PROVIDED BY THIS SECTION.

3 (B) FOR PURPOSES OF THIS SUBDIVISION, THE TERM "INCOME" SHALL HAVE THE
4 SAME MEANING AS SET FORTH IN SUBPARAGRAPH (II) OF PARAGRAPH (B) OF
5 SUBDIVISION FOUR OF SECTION FOUR HUNDRED TWENTY-FIVE OF THE REAL PROPER-
6 TY TAX LAW. THE TERM "AFFILIATED INCOME" SHALL MEAN THE COMBINED INCOME
7 OF ALL OF THE OWNERS OF THE PARCEL WHO RESIDED PRIMARILY THEREON ON THE
8 TAXABLE STATUS DATE FOR THE ASSESSMENT ROLL USED TO GENERATE THE APPLI-
9 CABLE SCHOOL TAX BILLS, AND OF ANY OWNERS' SPOUSES FILING JOINTLY OR
10 SPOUSES RESIDING PRIMARILY THEREON IN THE CASES OF SPOUSES FILING SEPA-
11 RATE RETURNS ON SUCH TAXABLE STATUS DATE AND SHALL BE DETERMINED AS
12 FOLLOWS:

13 (I) FOR THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN SCHOOL YEAR,
14 AFFILIATED INCOME SHALL BE DETERMINED BASED UPON THE PARTIES' INCOMES
15 FOR THE INCOME TAX YEAR ENDING IN TWO THOUSAND TWELVE. IN EACH SUBSE-
16 QUENT YEAR, THE APPLICABLE INCOME TAX YEAR SHALL BE ADVANCED BY ONE
17 YEAR.

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

22 6. NOTIFICATION REQUIREMENT. THE DEPARTMENT SHALL MAIL INFORMATION
23 CONCERNING THE "MIDDLE CLASS STAR" REBATE PROGRAM TO OWNERS OF PARCELS
24 RECEIVING A BASIC STAR EXEMPTION ON THE ASSESSMENT ROLL USED TO GENERATE
25 THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN SCHOOL TAX BILL. SUCH
26 NOTIFICATION SHALL EXPLAIN THAT PROPERTY OWNERS MUST FILE APPLICATIONS
27 WITH THE DEPARTMENT IN ORDER TO OBTAIN THE REBATE AVAILABLE UNDER THE
28 "MIDDLE CLASS STAR" REBATE PROGRAM. SUCH NOTICE SHALL FURTHER EXPLAIN
29 HOW TO OBTAIN THE APPLICATION.

30 7. APPLICATIONS. (A) IN ORDER TO OBTAIN THE BENEFITS OF THE "MIDDLE
31 CLASS STAR" REBATE PROGRAM, THE PROPERTY OWNER MUST SUBMIT AN APPLICA-
32 TION TO THE DEPARTMENT NO LATER THAN DECEMBER THIRTY-FIRST, TWO THOUSAND
33 FOURTEEN. THE APPLICANT SHALL PROVIDE THE DEPARTMENT WITH SUCH INFORMA-
34 TION AS MAY BE NECESSARY TO DETERMINE THE PARCEL'S AFFILIATED INCOME.
35 THE PERSONS OTHER THAN THE APPLICANT WHOSE INCOMES ARE NECESSARY TO THE
36 DETERMINATION OF THE PARCEL'S AFFILIATED INCOME SHALL BE REFERRED TO IN
37 THIS SECTION AS "AFFILIATED PERSONS." RECIPIENTS OF THE ENHANCED STAR
38 EXEMPTION SHALL NOT FILE AN APPLICATION TO RECEIVE A REBATE. THE DEPART-
39 MENT SHALL MAIL ENHANCED STAR REBATE RECIPIENTS THEIR REBATES IN A TIME-
40 LY MANNER.

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

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

52 (D) AFTER TWO THOUSAND FOURTEEN, APPLICATIONS SHALL BE REQUIRED ONLY
53 WHEN A NEW APPLICATION FOR A BASIC STAR EXEMPTION FOR REAL PROPERTY
54 TAXATION IS FILED PURSUANT TO SECTION FOUR HUNDRED TWENTY-FIVE OF THE
55 REAL PROPERTY TAX LAW, OR WHEN THERE IS A CHANGE OF OWNERSHIP WHICH DOES
56 NOT NECESSITATE THE FILING OF A NEW APPLICATION FOR A BASIC STAR

1 EXEMPTION. IN EITHER INSTANCE, AN APPLICATION SHALL BE SUBMITTED TO THE
2 DEPARTMENT ON A TIMELY BASIS.

3 (E) IF AN APPLICATION FOR A "MIDDLE CLASS STAR" REBATE IS RECEIVED
4 AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND FOURTEEN, AN OTHERWISE ELIGI-
5 BLE PROPERTY OWNER SHALL NOT RECEIVE A REBATE FOR SUCH YEAR. HOWEVER,
6 SUCH APPLICATION SHALL BE CONSIDERED TIMELY FILED FOR A REBATE IN SUBSE-
7 QUENT YEARS PROVIDED THE OWNERSHIP OF THE PARCEL REMAINS UNCHANGED.

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

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

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

28 9. RECONSIDERATION OF REBATE AMOUNT. IN THE EVENT THE DEPARTMENT IS
29 UNABLE TO DETERMINE THE AFFILIATED INCOME FOR A PARCEL OR THE DEPARTMENT
30 DETERMINES THAT A REBATE SHALL NOT BE ISSUED FOR A PARCEL, THE DEPART-
31 MENT SHALL NOTIFY THE APPLICANT OF THAT FACT. A PROPERTY OWNER MAY SEEK
32 RECONSIDERATION OF THE REBATE AMOUNT DETERMINATION FOR HIS OR HER PARCEL
33 ON THE GROUNDS THAT THE PARCEL'S AFFILIATED INCOME WAS DETERMINED ERRO-
34 NEOUSLY. A PROPERTY OWNER MAY ALSO SEEK RECONSIDERATION IF NO REBATE WAS
35 ISSUED BECAUSE THE PARCEL'S AFFILIATED INCOME WAS UNDETERMINED. AN
36 APPLICATION FOR RECONSIDERATION OF REBATE AMOUNT SHALL BE MADE IN A
37 MANNER PRESCRIBED BY THE DEPARTMENT, AND SHALL BE ACCOMPANIED BY SUCH
38 DOCUMENTATION AS THE DEPARTMENT MAY REQUIRE. SUCH APPLICATION SHALL BE
39 FILED NO LATER THAN MARCH THIRTY-FIRST, TWO THOUSAND FIFTEEN. IF THE
40 DEPARTMENT FINDS AFTER REVIEWING SUCH AN APPLICATION THAT THE REBATE
41 AMOUNT DETERMINATION FOR A PARCEL SHOULD BE CORRECTED, IT SHALL ISSUE AN
42 AMENDED OR INITIAL REBATE CHECK. IF THE DEPARTMENT FINDS AFTER REVIEWING
43 SUCH AN APPLICATION THAT THE REBATE AMOUNT DETERMINATION FOR THE PARCEL
44 WAS CORRECTLY DETERMINED, IT SHALL SO NOTIFY THE APPLICANT. SUCH NOTIFI-
45 CATION SHALL INCLUDE AN EXPLANATION OF THE DEPARTMENT'S FINDINGS, INDI-
46 CATE THAT THE APPLICANT HAS THE RIGHT TO A PROCEEDING UNDER ARTICLE
47 SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES, AND INDICATE THE
48 STATUTE OF LIMITATIONS ASSOCIATED WITH SUCH PROCEEDINGS. SUCH FINDING
49 SHALL BE SUBJECT TO REVIEW PURSUANT ONLY TO A PROCEEDING UNDER ARTICLE
50 SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES.

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

55 11. SUBSEQUENT YEARS. IN EACH YEAR SUBSEQUENT TO TWO THOUSAND FOUR-
56 TEEN, AFFILIATED INCOMES SHALL CONTINUE TO BE DETERMINED AS PROVIDED BY

1 THIS SECTION FOR PURPOSES OF THE "MIDDLE CLASS STAR" REBATE PROGRAM,
2 EXCEPT THAT:

3 (A) THE NOTIFICATION REQUIREMENT OF SUBDIVISION SIX OF THIS SECTION
4 SHALL NOT BE APPLICABLE;

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

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

14 12. CONFIDENTIAL INFORMATION; DISCLOSURE PROHIBITION. INFORMATION
15 REGARDING REBATES ISSUED TO INDIVIDUALS SHALL NOT BE SUBJECT TO DISCLO-
16 SURE; INCLUDING NAMES, ADDRESSES, AND DOLLAR AMOUNTS OF REBATES. IN
17 ADDITION, ALL APPLICATIONS SUBMITTED FOR REBATES SHALL NOT BE SUBJECT TO
18 DISCLOSURE.

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

22 14. AFFILIATED INCOME BRACKETS; INDEXING. THE DEPARTMENT SHALL ESTAB-
23 LISH THE AFFILIATED INCOME BRACKETS TO BE ASSOCIATED WITH THE REBATE
24 AMOUNTS FOR THE TWO THOUSAND SEVENTEEN--TWO THOUSAND EIGHTEEN SCHOOL
25 YEAR AND EACH SCHOOL YEAR THEREAFTER BY APPLYING THE INFLATION FACTOR
26 SET FORTH IN THIS SUBDIVISION TO THE FIGURES THAT DEFINED THE INCOME
27 BRACKETS THAT WERE APPLICABLE TO THE TWO THOUSAND SIXTEEN--TWO THOUSAND
28 SEVENTEEN SCHOOL YEAR, AND ROUNDING EACH RESULT TO THE NEAREST MULTIPLE
29 OF ONE HUNDRED DOLLARS. FOR PURPOSES OF THIS SUBDIVISION, THE
30 "INFLATION FACTOR" FOR EACH INCOME BRACKET SHALL BE DETERMINED BY THE
31 PERCENTAGE INCREASE IN THE CONSUMER PRICE INDEX FOR URBAN WAGE EARNERS
32 AND CLERICAL WORKERS (CPI-W) PUBLISHED BY THE UNITED STATES DEPARTMENT
33 OF LABOR, BUREAU OF LABOR STATISTICS, FOR THE THIRD QUARTER OF THE
34 CALENDAR YEAR PRECEDING THE APPLICABLE SCHOOL YEAR, AS COMPARED TO THE
35 THIRD QUARTER OF THE PRIOR CALENDAR YEAR. IF A BASE FIGURE AS SO DETER-
36 MINED IS NOT EXACTLY EQUAL TO A MULTIPLE OF ONE HUNDRED DOLLARS, IT
37 SHALL BE ROUNDED TO THE NEAREST MULTIPLE OF ONE HUNDRED DOLLARS. IN EACH
38 SUBSEQUENT SCHOOL YEAR, THE PRIOR YEAR'S INCOME BRACKETS SHALL BE
39 INDEXED USING THE ABOVE FORMULA WITH EACH YEAR ADVANCED BY ONE YEAR.

40 S 3. Section 606 of the tax law is amended by adding a new subsection
41 (n-1) to read as follows:

42 (N-1) SCHOOL DISTRICT PROPERTY TAX CREDIT. (1) IN ANY TAXABLE YEAR IN
43 WHICH TAXPAYERS ARE NOT ELIGIBLE TO RECEIVE REBATES PURSUANT TO SECTION
44 ONE HUNDRED SEVENTY-EIGHT OF THIS CHAPTER SOLELY BECAUSE AN APPROPRI-
45 ATION TO PAY SUCH REBATES WAS NOT INCLUDED IN THE ENACTED STATE BUDGET,
46 FOR SUCH YEAR, THE CREDIT ALLOWED BY THIS SUBSECTION SHALL APPLY.

47 (2) FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOU-
48 SAND THIRTEEN IF THE CREDIT IS APPLICABLE IN SUCH YEAR, A TAXPAYER SHALL
49 BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE IN AN AMOUNT
50 EQUAL TO THE REBATE CHECK CALCULATED PURSUANT TO SECTION ONE HUNDRED
51 SEVENTY-EIGHT OF THIS CHAPTER.

52 (3) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY
53 TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS
54 SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN
55 ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS
56 ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

1 (4) (A) TAXPAYERS WHO WOULD HAVE QUALIFIED FOR THE CREDIT UNDER THIS
2 SUBSECTION FOR TAXABLE YEAR TWO THOUSAND TWELVE, HAD SUCH CREDIT BEEN
3 AUTHORIZED IN SUCH TAXABLE YEAR, SHALL BE TREATED AS HAVING MADE A
4 PAYMENT AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR SUCH TAXABLE YEAR IN
5 AN AMOUNT EQUAL TO SUCH CREDIT FOR SUCH TAXABLE YEAR. SUCH PAYMENT SHALL
6 BE TREATED AS AN OVERPAYMENT OF TAX TO BE REFUNDED AS SOON AS PRACTICA-
7 BLE, BUT NOT LONGER THAN FORTY-FIVE DAYS FROM FILING A CLAIM FOR A
8 REFUND, IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHT-
9 Y-SIX OF THIS ARTICLE, PROVIDED, HOWEVER THAT NO INTEREST SHALL BE PAID
10 THEREON. ALL QUALIFIED TAXPAYERS MAY SUBMIT A CLAIM FOR AN ADVANCE
11 PAYMENT OF SUCH REFUND ON FORMS PREPARED BY THE DEPARTMENT, PROVIDED
12 SUCH FORMS ARE FILED WITH THE DEPARTMENT ON OR BEFORE AUGUST
13 THIRTY-FIRST, TWO THOUSAND THIRTEEN.

14 (B) THE AMOUNT OF THE CREDIT WHICH IS ALLOWED UNDER THIS SUBSECTION
15 FOR THE TAXPAYER'S TAXABLE YEAR BEGINNING IN TWO THOUSAND THIRTEEN SHALL
16 BE REDUCED BY THE PAYMENTS MADE TO THE TAXPAYER UNDER THIS SUBSECTION.
17 ANY FAILURE TO SO REDUCE THE CREDIT SHALL BE TREATED AS ARISING OUT OF A
18 MATHEMATICAL OR CLERICAL ERROR AND ASSESSED ACCORDING TO SUBSECTION (D)
19 OF SECTION SIX HUNDRED EIGHTY-ONE OF THIS ARTICLE.

20 (C) ANY FAILURE TO APPLY FOR AN ADVANCE PAYMENT SHALL NOT IMPAIR A
21 TAXPAYER'S ABILITY TO APPLY FOR THE CREDIT UPON FILING THEIR RETURN FOR
22 SUCH TAX YEAR.

23 (5) IF THE COMMISSIONER DETERMINES IT TO BE NECESSARY FOR PROPER
24 ADMINISTRATION OF THE CREDIT ALLOWED UNDER THIS SUBSECTION, THE COUNTY
25 DIRECTOR OF REAL PROPERTY TAX SERVICES OF ANY COUNTY, OR IN THE CASE OF
26 A CITY WITH A POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF
27 FINANCE, UPON THE REQUEST OF THE COMMISSIONER, SHALL FILE A REPORT WITH
28 THE OFFICE OF REAL PROPERTY SERVICES IDENTIFYING ALL PARCELS IN THE
29 COUNTY OR IN THE CITY ON WHICH SCHOOL TAXES FOR THE PRIOR SCHOOL YEAR
30 REMAINED UNPAID AS OF JUNE THIRTIETH OF SUCH PRIOR SCHOOL YEAR, PROVIDED
31 THAT PARCELS NOT RECEIVING THE BASIC OR ENHANCED STAR EXEMPTION SHALL BE
32 EXCLUDED FROM SUCH LIST. SUCH COUNTY DIRECTOR SHALL OBTAIN FROM THE TAX
33 COLLECTING OFFICERS AND TAX ENFORCEMENT OFFICERS WITHIN THE COUNTY SUCH
34 INFORMATION AS HE OR SHE MAY NEED TO PREPARE SUCH LIST. SUCH LIST SHALL
35 BE PREPARED IN A FORMAT PRESCRIBED BY THE COMMISSIONER.

36 (6) IF THE SCHOOL PROPERTY TAXES TO WHICH THE CREDIT RELATES ARE NOT
37 PAID, THE CREDIT ALLOWED WITH RESPECT TO SUCH PROPERTY TAXES MUST BE
38 ADDED BACK IN THE TAX YEAR IN WHICH SUCH CREDIT WAS CLAIMED.

39 (7) ONLY ONE CREDIT PER RESIDENCE SHALL BE ALLOWED PER TAXABLE YEAR
40 UNDER THIS SUBSECTION. WHEN TWO OR MORE MEMBERS OF A RESIDENCE ARE ABLE
41 TO MEET THE QUALIFICATIONS FOR A QUALIFIED TAXPAYER, THE CREDIT SHALL BE
42 EQUALLY DIVIDED BETWEEN OR AMONG SUCH INDIVIDUALS.

43 HUSBAND AND WIFE. IN THE CASE OF A HUSBAND AND WIFE WHO FILE A JOINT
44 FEDERAL RETURN BUT WHO ARE REQUIRED TO DETERMINE THEIR NEW YORK TAXES
45 SEPARATELY, THE CREDIT ALLOWED PURSUANT TO THIS SUBSECTION MAY BE
46 APPLIED AGAINST THE TAX OF EITHER OR DIVIDED BETWEEN THEM AS THEY MAY
47 ELECT.

48 S 4. This act shall take effect immediately.