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2013-2014 Regular Sessions

I N A S S E M B L Y

March 6, 2013

Introduced by M. of A. ENGLEBRIGHT, RAIA -- 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 the "Middle Class STAR" rebate program; to amend the tax law, in relation to creating the middle class circuit breaker tax credit; to amend the administrative code of the city of New York, in relation to an enhanced personal income tax credit in such city; and to amend the education law, in relation to establishing limitations upon school district tax levies

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 THIRTEEN--TWO THOUSAND FOURTEEN 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 IN THIS SECTION 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 EACH YEAR, THE DEPARTMENT, OR ON OR BEFORE JULY FIRST EACH YEAR, IN THE CASE OF A CITY WITH A POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, OR HIS

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

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OR HER DESIGNEE, SHALL PROVIDE TO THE COMMISSIONER 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 THIRTEEN--TWO THOUSAND FOURTEEN 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 ASSESSMENT ROLL DATA FILES USED TO GENERATE THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL TAX BILLS AND EACH YEAR THEREAFTER, FILED WITH THE DEPARTMENT 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 DEPARTMENT, OR IN THE CASE OF A CITY WITH A POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, AS THE COMMISSIONER MAY DEEM NECESSARY FOR THE EFFECTIVE ADMINISTRATION OF THIS PROGRAM, INCLUDING 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 INFORMATION CONTAINED IN HIS OR HER OFFICE. NOTHING CONTAINED IN THIS SUBDIVISION 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 SUBDIVISION, 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 DEPARTMENT MAY REQUIRE THE ASSESSOR TO FILE WITH IT, ON OR BEFORE JULY THIRTY-FIRST EACH YEAR, OR SUCH LATER DATE AS THE DEPARTMENT 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 PURSUANT TO THIS PARAGRAPH. WHEN ANY INFORMATION REQUIRED BY THIS PARAGRAPH IS RECEIVED BY THE DEPARTMENT AFTER JULY THIRTY-FIRST EACH YEAR, SUCH INFORMATION SHALL BE TRANSMITTED AS SOON AS REASONABLY PRACTICABLE TO THE COMMISSIONER 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 DEPARTMENT OF THE CHANGE NO LATER THAN AUGUST FIRST OF THE FOLLOWING YEAR.

3. REBATE BASE. (A) THE DEPARTMENT SHALL CALCULATE THE REBATE BASE AND CERTIFY THE SAME NO LATER THAN JULY FIRST EACH YEAR.

(B) TWO REBATE BASES FOR THE BASIC STAR EXEMPTION SHALL BE DETERMINED FOR EACH SEGMENT FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN 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 THIRTEEN--TWO THOUSAND FOURTEEN AND SUBSEQUENT SCHOOL YEARS, MULTIPLYING THAT AMOUNT BY THE SCHOOL DISTRICT TAX RATE APPLICABLE WITHIN THAT SEGMENT FOR PURPOSES OF THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN AND SUBSEQUENT SCHOOL YEARS, AS REPORTED BY THE SCHOOL DISTRICT. FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN AND SUBSEQUENT SCHOOL YEARS, SUCH REBATE BASES SHALL BE COMPUTED BY MULTIPLYING THE PRODUCT BY SIXTY PERCENT AND FORTY-FIVE PERCENT, RESPECTIVELY. THE RESULTS SHALL BE ASSOCIATED WITH THE FIRST AND SECOND INCOME BRACKETS, RESPECTIVELY, THAT ARE APPLICABLE WITHIN THAT SEGMENT.

(B-1) (I) 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 FIFTY THOUSAND DOLLARS.

(II) 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 THIRTEEN--TWO THOUSAND FOURTEEN 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 THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR. 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.

(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 SHALL CALCULATE AND CERTIFY 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 THIRTEEN--TWO THOUSAND FOURTEEN 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 real property tax law is amended by adding a new section 1307 to read as follows:

S 1307. LIMITATIONS UPON SCHOOL DISTRICT TAX LEVIES. 1. GENERALLY. UNLESS OTHERWISE PROVIDED BY LAW, THE AMOUNT OF TAXES THAT MAY BE LEVIED BY OR ON BEHALF OF ANY SCHOOL DISTRICT, OTHER THAN A CITY SCHOOL DISTRICT OF A CITY WITH ONE HUNDRED TWENTY-FIVE THOUSAND INHABITANTS OR MORE, SHALL NOT EXCEED THE TAX LEVY LIMITATIONS ESTABLISHED PURSUANT TO SECTION TWO THOUSAND TWENTY-THREE-B OF THE EDUCATION LAW. IT SHALL BE THE RESPONSIBILITY OF THE COMMISSIONER OF EDUCATION TO ANNUALLY DETERMINE THE TAX LEVY LIMIT OF EACH SCHOOL DISTRICT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.

2. DEFINITIONS. AS USED IN THIS SECTION:

(A) "AVAILABLE CARRYOVER" MEANS THE SUM OF THE AMOUNTS BY WHICH THE TAX LEVY FOR EACH SCHOOL YEAR FROM THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR THROUGH THE PRIOR SCHOOL YEAR WAS BELOW THE APPLICABLE TAX LEVY LIMIT FOR SUCH SCHOOL YEAR, IF ANY.

(B) "CAPITAL LOCAL EXPENDITURES" MEANS THE TAXES ASSOCIATED WITH BUDGETED EXPENDITURES RESULTING FROM THE CONSTRUCTION, ACQUISITION, RECONSTRUCTION, REHABILITATION OR IMPROVEMENT OF SCHOOL BUILDINGS, INCLUDING DEBT SERVICE AND LEASE EXPENDITURES, SUBJECT TO THE APPROVAL OF THE QUALIFIED VOTERS WHERE REQUIRED BY LAW.

(C) "CAPITAL TAX LEVY" MEANS THE TAX LEVY NECESSARY TO SUPPORT CAPITAL LOCAL EXPENDITURES, IF ANY.

(D) "COMING SCHOOL YEAR" MEANS THE SCHOOL YEAR FOR WHICH TAX LEVY LIMITS ARE BEING DETERMINED PURSUANT TO THIS SECTION.

(E) "INFLATION FACTOR" MEANS THE PERCENTAGE THAT REPRESENTS THE PRODUCT OF ONE HUNDRED AND THE QUOTIENT OF: (I) THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPARTMENT OF LABOR FOR THE TWELVE MONTH PERIOD PRECEDING JANUARY FIRST OF THE CURRENT YEAR MINUS THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPARTMENT OF LABOR FOR THE TWELVE-MONTH PERIOD PRECEDING JANUARY FIRST OF THE PRIOR YEAR, DIVIDED BY: (II) THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPARTMENT OF LABOR FOR THE TWELVE-MONTH PERIOD PRECEDING JANUARY FIRST OF THE PRIOR YEAR, WITH THE RESULT EXPRESSED AS A DECIMAL TO TWO PLACES.

(F) "LEVY GROWTH FACTOR" SHALL BE THE LESSER OF: (I) FOUR PERCENT; OR (II) ONE HUNDRED TWENTY PERCENT OF THE INFLATION FACTOR.

(G) "PRIOR SCHOOL YEAR" MEANS THE SCHOOL YEAR IMMEDIATELY PRECEDING THE COMING SCHOOL YEAR.

(H) "SCHOOL DISTRICT" MEANS A COMMON SCHOOL DISTRICT, UNION FREE SCHOOL DISTRICT, CENTRAL SCHOOL DISTRICT, CENTRAL HIGH SCHOOL DISTRICT OR A CITY SCHOOL DISTRICT IN A CITY WITH LESS THAN ONE HUNDRED TWENTY-FIVE THOUSAND INHABITANTS.

(I) "TAX LEVY BASE" MEANS THE AMOUNT OF TAXES A SCHOOL DISTRICT WOULD BE AUTHORIZED TO LEVY WITHOUT THE ADDITION OF ANY AVAILABLE CARRYOVER AMOUNT.

(J) "TAX LEVY LIMIT" MEANS THE AMOUNT OF TAXES A SCHOOL DISTRICT IS AUTHORIZED TO LEVY PURSUANT TO THIS SECTION, PROVIDED, HOWEVER, THAT THE TAX LEVY LIMIT SHALL NOT INCLUDE THE DISTRICT'S CAPITAL TAX LEVY, IF ANY.

3. TAX BASE GROWTH FACTOR. (A) NO LATER THAN MARCH FIRST OF EACH YEAR, THE DEPARTMENT SHALL IDENTIFY THOSE SCHOOL DISTRICTS FOR WHICH TAX BASE GROWTH FACTORS MUST BE DETERMINED FOR THE COMING SCHOOL YEAR, AND SHALL NOTIFY THE COMMISSIONER OF EDUCATION OF THE TAX BASE GROWTH FACTORS SO DETERMINED, IF ANY.

(B) THE DEPARTMENT SHALL CALCULATE A QUANTITY CHANGE FACTOR FOR EACH SCHOOL DISTRICT FOR THE COMING SCHOOL YEAR BASED UPON THE PHYSICAL OR QUANTITY CHANGE, AS DEFINED BY SECTION TWELVE HUNDRED TWENTY OF THIS

CHAPTER, REPORTED TO THE DEPARTMENT BY THE ASSESSOR OR ASSESSORS PURSUANT TO SECTION FIVE HUNDRED SEVENTY-FIVE OF THIS CHAPTER. THE QUANTITY CHANGE FACTOR SHALL SHOW THE PERCENTAGE BY WHICH THE FULL VALUE OF THE TAXABLE REAL PROPERTY IN THE SCHOOL DISTRICT HAS CHANGED DUE TO PHYSICAL OR QUANTITY CHANGE BETWEEN THE SECOND FINAL ASSESSMENT ROLL OR ROLLS PRECEDING THE FINAL ASSESSMENT ROLL OR ROLLS UPON WHICH TAXES ARE TO BE LEVIED, AND THE FINAL ASSESSMENT ROLL OR ROLLS IMMEDIATELY PRECEDING THE FINAL ASSESSMENT ROLL OR ROLLS UPON WHICH TAXES ARE TO BE LEVIED.

(C) AFTER DETERMINING THE QUANTITY CHANGE FACTOR FOR A SCHOOL DISTRICT, THE DEPARTMENT SHALL PROCEED AS FOLLOWS:

(I) IF THE QUANTITY CHANGE FACTOR IS NEGATIVE, THE DEPARTMENT SHALL NOT DETERMINE A TAX BASE GROWTH FACTOR FOR THE SCHOOL DISTRICT.

(II) IF THE QUANTITY CHANGE FACTOR IS POSITIVE, THE DEPARTMENT SHALL DETERMINE A TAX BASE GROWTH FACTOR FOR THE SCHOOL DISTRICT WHICH IS EQUAL TO THE QUANTITY CHANGE FACTOR, PROVIDED THAT IN NO CASE SHALL A TAX BASE GROWTH FACTOR BE IN EXCESS OF TEN PERCENT.

4. COMPUTATION OF TAX LEVY LIMITS. (A) THE TAX LEVY BASE FOR EACH SCHOOL YEAR SHALL BE DETERMINED AS FOLLOWS:

(I) ASCERTAIN THE TOTAL AMOUNT OF TAXES LEVIED FOR THE PRIOR SCHOOL YEAR.

(II) ADD ANY PAYMENTS IN LIEU OF TAXES THAT WERE RECEIVABLE IN THE PRIOR SCHOOL YEAR.

(III) SUBTRACT THE CAPITAL TAX LEVY FOR THE PRIOR SCHOOL YEAR, IF ANY.

(IV) MULTIPLY THE RESULT BY THE LEVY GROWTH FACTOR.

(V) MULTIPLY THE RESULT BY THE TAX BASE GROWTH FACTOR, IF ANY.

(B) THE TAX LEVY BASE SHALL BE ADJUSTED BY ADDING THE AVAILABLE CARRYOVER, IF ANY, PROVIDED THAT IN NO EVENT SHALL THE AMOUNT OF ADDED CARRYOVER EXCEED ONE AND ONE-HALF PERCENT OF THE TAX LEVY FOR THE PRIOR SCHOOL YEAR.

(C) THE TAX LEVY LIMIT FOR THE COMING SCHOOL YEAR SHALL BE THE ADJUSTED TAX LEVY BASE, LESS ANY PAYMENTS IN LIEU OF TAXES RECEIVABLE IN THE COMING SCHOOL YEAR. NO LATER THAN MARCH FIRST OF EACH YEAR, THE COMMISSIONER OF EDUCATION SHALL CALCULATE THE TAX LEVY LIMIT FOR EACH SCHOOL DISTRICT, AND SHALL NOTIFY EACH SCHOOL DISTRICT OF THE LEVY GROWTH FACTOR, THE DISTRICT'S TAX BASE GROWTH FACTOR, IF ANY, THE DISTRICT'S TAX LEVY BASE AND THE DISTRICT'S TAX LEVY LIMIT.

5. VOTER UNDERRIDES. THE QUALIFIED VOTERS OF A SCHOOL DISTRICT MAY VOTE TO REDUCE (OR UNDERRIDE) THE LIMITATIONS IMPOSED BY THIS SECTION FOR SUCH SCHOOL DISTRICT FOR THE COMING SCHOOL YEAR IN THE MANNER PROVIDED BY SECTION TWO THOUSAND TWENTY-THREE-B OF THE EDUCATION LAW.

6. REORGANIZED SCHOOL DISTRICTS. WHEN TWO OR MORE SCHOOL DISTRICTS REORGANIZE, THE COMMISSIONER OF EDUCATION SHALL DETERMINE THE TAX LEVY LIMIT FOR THE REORGANIZED SCHOOL DISTRICT BASED ON THE RESPECTIVE TAX LEVY LIMITS OF THE SCHOOL DISTRICTS THAT FORMED THE REORGANIZED DISTRICT FROM THE LAST SCHOOL YEAR IN WHICH THEY WERE SEPARATE DISTRICTS, PROVIDED THAT IN THE EVENT OF FORMATION OF A NEW CENTRAL HIGH SCHOOL DISTRICT, THE TAX LEVY LIMITS FOR THE NEW CENTRAL HIGH SCHOOL DISTRICT AND ITS COMPONENT SCHOOL DISTRICTS SHALL BE DETERMINED IN ACCORDANCE WITH A METHODOLOGY PRESCRIBED BY THE COMMISSIONER OF EDUCATION.

7. ERRONEOUS LEVIES. IN THE EVENT A SCHOOL DISTRICT'S ACTUAL TAX LEVY FOR A GIVEN SCHOOL YEAR EXCEEDS THE MAXIMUM ALLOWABLE LEVY AS ESTABLISHED PURSUANT TO SECTION TWO THOUSAND TWENTY-THREE-B OF THE EDUCATION LAW DUE TO CLERICAL OR TECHNICAL ERRORS, THE SCHOOL DISTRICT SHALL PLACE THE EXCESS AMOUNT OF THE LEVY IN RESERVE IN ACCORDANCE WITH SUCH REQUIREMENTS AS THE STATE COMPTROLLER MAY PRESCRIBE, AND SHALL USE SUCH

FUNDS AND ANY INTEREST EARNED THEREON TO OFFSET THE TAX LEVY FOR THE ENSUING SCHOOL YEAR.

S 3. 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 EACH YEAR, THE DEPARTMENT, OR ON OR BEFORE JULY FIRST EACH YEAR 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, 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 DEPARTMENT TO PROVIDE 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 THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR, AFFILIATED INCOME SHALL BE DETERMINED BASED UPON THE PARTIES' INCOMES FOR THE INCOME TAX YEAR ENDING IN TWO THOUSAND TWELVE. 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 THIRTEEN--TWO THOUSAND FOURTEEN 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 THIRTEEN. 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 DEPARTMENT 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 TWELVE 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 TWELVE 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 THIRTEEN, 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 THIRTEEN, 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 TWELVE 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 TWELVE 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 FOURTEEN. 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 TWELVE, 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 TWELVE 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 EIGHTEEN--TWO THOUSAND NINETEEN 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 SEVENTEEN--TWO THOUSAND EIGHTEEN 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 4. Section 606 of the tax law is amended by adding a new subsection (vv) to read as follows:

(VV) 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' COMPEN-

SATION; 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 FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN, FIFTEEN 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 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.

(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 THIRTY 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:

HOUSEHOLD GROSS INCOME	MAXIMUM REAL PROPERTY TAX
ONE HUNDRED TWENTY THOUSAND DOLLARS OR LESS	SEVEN 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	SEVEN PERCENT OF ONE HUNDRED TWENTY THOUSAND DOLLARS PLUS EIGHT PERCENT OF HOUSEHOLD GROSS INCOME ABOVE ONE HUNDRED TWENTY THOUSAND DOLLARS
MORE THAN ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS, BUT LESS THAN OR EQUAL TO TWO HUNDRED FIFTY THOUSAND DOLLARS	SEVEN PERCENT OF ONE HUNDRED TWENTY THOUSAND DOLLARS PLUS EIGHT PERCENT OF FIFTY-FIVE THOUSAND DOLLARS PLUS NINE PERCENT OF HOUSEHOLD GROSS INCOME ABOVE ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS
MORE THAN TWO HUNDRED FIFTY THOUSAND DOLLARS	NO LIMITATION.

S 5. 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 THIRTEEN TAXPAYERS WHO:

(A) ARE SIXTY-FIVE YEARS OR OLDER AS OF DECEMBER THIRTY-FIRST, TWO THOUSAND THIRTEEN 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 6. 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 THIRTEEN TAXPAYERS WHO:

(A) ARE SIXTY-FIVE YEARS OR OLDER AS OF DECEMBER THIRTY-FIRST, TWO THOUSAND THIRTEEN 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 7. Section 1608 of the education law, as amended by section 5 of part A of chapter 436 of the laws of 1997, subdivisions 2 and 4 as amended by chapter 640 of the laws of 2008, subdivision 7 as amended by section 4 of part H of chapter 83 of the laws of 2002 and paragraph a of subdivision 7 as amended by section 4 of part A of chapter 97 of the laws of 2011, is amended to read as follows:

S 1608. Estimated expenses for ensuing year. 1. It shall be the duty of the trustees of each common school district to present at the annual budget hearing a detailed statement in writing of the amount of money which will be required for the ensuing year for school purposes, specifying the several purposes and the amount for each. WHERE A PROPOSITION TO UNDERRIDE A TAX LEVY LIMITATION HAS BEEN APPROVED PURSUANT TO SECTION TWO THOUSAND TWENTY-THREE-B OF THIS TITLE, THE TRUSTEES SHALL PRESENT AT THE ANNUAL BUDGET HEARING A BUDGET THAT COMPLIES WITH THE APPROVED UNDERRIDE PROPOSITION. The amount for each purpose estimated necessary for payments to boards of cooperative educational services shall be shown in full, with no deduction of estimated state aid. The amount of state aid provided and its percentage relationship to the total expenditures shall also be shown. This section shall not be construed to prevent the trustees from presenting such statement at a budget hearing held not less than seven nor more than fourteen days prior to a special meeting called for the purpose, nor from presenting a supplementary and amended statement or estimate at any time.

2. Such statement shall be completed at least seven days before the budget hearing at which it is to be presented and copies thereof shall be prepared and made available, upon request and at the school district offices, at any public library or free association library within the district and on the school district's internet website, if one exists, to residents within the district during the period of fourteen days immediately preceding the annual meeting [and election or special district meeting at which the budget vote will occur] and at such meeting or hearing. The board shall also as a part of the notice required by section two thousand three of this [chapter] TITLE give notice of the date, time and place of the budget hearing and that a copy of such statement may be obtained by any resident in the district at each schoolhouse in the district in which school is maintained during certain designated hours on each day other than a Saturday, Sunday or holiday during the fourteen days immediately preceding such meeting. The board shall include notice of the availability of such statement at least once during the school year in any district-wide mailing distributed.

3. Commencing with the proposed budget for the nineteen hundred ninety-seven--ninety-eight school year, such proposed budget shall be in plain language and shall be consistent with regulations promulgated by the commissioner pursuant to subdivision twenty-six of section three hundred five of this chapter. Categorization of and format for revenue, including payments in lieu of taxes, property tax refunds from certiorari proceedings, expenditure, transfer, and fund balance information and changes in such data from the prior year and, in the case of [a resubmitted or] AN amended budget, changes in such information from the prior year's submitted budget, shall be complete and accurate and set forth in such a manner as to best promote public comprehension and readability.

4. Commencing with the proposed budget for the nineteen hundred ninety-eight--ninety-nine school year, such proposed budget shall be presented in three components: a program component, a capital component and an administrative component which shall be separately delineated in accordance with regulations of the commissioner after consultation with local school district officials. The administrative component shall include, but need not be limited to, office and central administrative expenses, traveling expenses and all compensation, salaries and benefits of all school administrators and supervisors, including business admin-

istrators, superintendents of schools and deputy, assistant, associate or other superintendents under all existing employment contracts or collective bargaining agreements, any and all expenditures associated with the operation of the office of trustee or board of trustees, the office of the superintendent of schools, general administration, the school business office, consulting costs not directly related to direct student services and programs, planning and all other administrative activities. The program component shall include, but need not be limited to, all program expenditures of the school district, including the salaries and benefits of teachers and any school administrators or supervisors who spend a majority of their time performing teaching duties, and all transportation operating expenses. The capital component shall include, but need not be limited to, all transportation capital, debt service, and lease expenditures; costs resulting from judgments in tax certiorari proceedings or the payment of awards from court judgments, administrative orders or settled or compromised claims; and all facilities costs of the school district, including facilities lease expenditures, the annual debt service and total debt for all facilities financed by bonds and notes of the school district, and the costs of construction, acquisition, reconstruction, rehabilitation or improvement of school buildings, provided that such budget shall include a rental, operations and maintenance section that includes base rent costs, total rent costs, operation and maintenance charges, cost per square foot for each facility leased by the school district, and any and all expenditures associated with custodial salaries and benefits, service contracts, supplies, utilities, and maintenance and repairs of school facilities. [For the purposes of the development of a budget for the nineteen hundred ninety-eight--ninety-nine school year, the trustee or board of trustees shall separate the district's program, capital and administrative costs for the nineteen hundred ninety-seven--ninety-eight school year in the manner as if the budget for such year had been presented in three components.]

5. The trustee or board of trustees shall append to the statement of estimated expenditures a detailed statement of the total compensation to be paid to the superintendent of schools, and any assistant or associate superintendents of schools in the ensuing school year, including a delineation of the salary, annualized cost of benefits and any in-kind or other form of remuneration. The trustees shall also append a list of all other school administrators and supervisors, if any, whose annual salary will be eighty-five thousand dollars or more in the ensuing school year, with the title of their positions and annual salary identified; provided however, that the commissioner may adjust such salary level to reflect increases in administrative salaries after June thirtieth, nineteen hundred ninety-eight. The trustees shall submit a copy of such list and statement, in a form prescribed by the commissioner, of compensation to the commissioner within five days after their preparation. The commissioner shall compile such data, together with the data submitted pursuant to subdivision three of section seventeen hundred sixteen of this [chapter] TITLE, into a single statewide compilation, which shall be made available to the governor, the legislature, and other interested parties upon request.

6. Each year, the board of education shall prepare a school district report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at

the annual meeting, and otherwise disseminating it as required by the commissioner. Such report card shall include measures of the academic performance of the school district, on a school by school basis, and measures of the fiscal performance of the district, as prescribed by the commissioner. Pursuant to regulations of the commissioner, the report card shall also compare these measures to statewide averages for all public schools, and statewide averages for public schools of comparable wealth and need, developed by the commissioner. Such report card shall include, at a minimum, any information on the school district regarding pupil performance and expenditure per pupil required to be included in the annual report by the regents to the governor and the legislature pursuant to section two hundred fifteen-a of this chapter; and any other information required by the commissioner. School districts (i) identified as having fifteen percent or more of their students in special education, or (ii) which have fifty percent or more of their students with disabilities in special education programs or services sixty percent or more of the school day in a general education building, or (iii) which have eight percent or more of their students with disabilities in special education programs in public or private separate educational settings shall indicate on their school district report card their respective percentages as defined in this [subparagraph] PARAGRAPH and [subparagraphs] PARAGRAPHS (i) and (ii) of this [paragraph] SUBDIVISION as compared to the statewide average.

7. a. Each year, commencing with the proposed budget for the two thousand--two thousand one school year, the trustee or board of trustees shall prepare a property tax report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual [meeting] BUDGET HEARING, and otherwise disseminating it as required by the commissioner. Such report card shall include: (i) the amount of total spending and total estimated school tax levy that would result from adoption of the proposed budget and the percentage increase or decrease in total spending and total school tax levy from the school district budget for the preceding school year; and (ii) THE DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, THE TAX LEVY PROPOSED BY THE DISTRICT, AND THE PROPOSED CAPITAL TAX LEVY, IF ANY; AND (III) the district's tax levy limit determined pursuant to section two thousand twenty-three-a of this title, and the estimated school tax levy, excluding any levy necessary to support the expenditures pursuant to subparagraphs (i) through (iv) of paragraph i of subdivision two of section two thousand twenty-three-a of this title, that would result from adoption of the proposed budget; and [(iii)] (IV) the projected enrollment growth for the school year for which the budget is prepared, and the percentage change in enrollment from the previous year; and [(iv)] (V) the percentage increase in the consumer price index, as defined in paragraph c of this subdivision; and [(v)] (VI) the projected amount of the unappropriated unreserved fund balance that will be retained if the proposed budget is adopted, the projected amount of the reserved fund balance, the projected amount of the appropriated fund balance, the percentage of the proposed budget that the unappropriated unreserved fund balance represents, the actual unappropriated unreserved fund balance retained in the school district budget for the preceding school year, and the percentage of the school district budget for the

preceding school year that the actual unappropriated unreserved fund balance represents.

b. A copy of the property tax report card prepared for the annual [district meeting] BUDGET HEARING shall be submitted to the department in the manner prescribed by the department by the end of the business day next following approval of the report card by the trustee or board of trustees, but no later than twenty-four days prior to the statewide uniform voting day. The department shall compile such data for all school districts [whose budgets are subject to a vote of the qualified voters] SUBJECT TO A TAX LEVY LIMITATION PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW and shall make such compilation available electronically at least ten days prior to the statewide uniform voting day.

c. For purposes of this subdivision, "percentage increase in the consumer price index" shall mean the percentage that represents the product of one hundred and the quotient of: (i) the average of the national consumer price indexes determined by the United States department of labor for the twelve-month period preceding January first of the current year minus the average of the national consumer price indexes determined by the United States department of labor for the twelve-month period preceding January first of the prior year, divided by (ii) the average of the national consumer price indexes determined by the United States department of labor for the twelve-month period preceding January first of the prior year, with the result expressed as a decimal to two places.

S 7-a. Paragraph a of subdivision 7 of section 1608 of the education law, as amended by chapter 238 of the laws of 2007, is amended to read as follows:

a. Each year, commencing with the proposed budget for the two thousand--two thousand one school year, the trustee or board of trustees shall prepare a property tax report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual [meeting] BUDGET HEARING, and otherwise disseminating it as required by the commissioner. Such report card shall include: (i) the amount of total spending and total estimated school tax levy that would result from adoption of the proposed budget and the percentage increase or decrease in total spending and total school tax levy from the school district budget for the preceding school year; and (ii) THE DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, THE TAX LEVY PROPOSED BY THE DISTRICT, AND THE PROPOSED CAPITAL TAX LEVY, IF ANY; AND (III) the projected enrollment growth for the school year for which the budget is prepared, and the percentage change in enrollment from the previous year; and [(iii)] (IV) the percentage increase in the consumer price index, as defined in paragraph c of this subdivision; and [(iv)] (V) the projected amount of the unappropriated unreserved fund balance that will be retained if the proposed budget is adopted, the projected amount of the reserved fund balance, the projected amount of the appropriated fund balance, the percentage of the proposed budget that the unappropriated unreserved fund balance represents, the actual unappropriated unreserved fund balance retained in the school district budget for the preceding school year, and the percentage of the school district budget for the preceding school year that the actual unappropriated unreserved fund balance represents.

S 8. Section 1716 of the education law, as amended by section 7 of part A of chapter 436 of the laws of 1997, subdivisions 2 and 4 as amended by chapter 640 of the laws of 2008, subdivision 7 as amended by section 5 of part H of chapter 83 of the laws of 2002 and paragraph a of subdivision 7 as amended by section 5 of part A of chapter 97 of the laws of 2011, is amended to read as follows:

S 1716. Estimated expenses for ensuing year. 1. It shall be the duty of the board of education of each district to present at the annual budget hearing a detailed statement in writing of the amount of money which will be required for the ensuing year for school purposes, specifying the several purposes and the amount for each. WHERE A PROPOSITION TO UNDERRIDE A TAX LEVY LIMITATION HAS BEEN APPROVED PURSUANT TO SECTION TWO THOUSAND TWENTY-THREE-B OF THIS TITLE, THE BOARD OF EDUCATION SHALL PRESENT AT THE ANNUAL BUDGET HEARING A BUDGET THAT COMPLIES WITH THE APPROVED UNDERRIDE PROPOSITION. The amount for each purpose estimated necessary for payments to boards of cooperative educational services shall be shown in full, with no deduction of estimated state aid. The amount of state aid provided and its percentage relationship to the total expenditures shall also be shown. This section shall not be construed to prevent the board from presenting such statement at a budget hearing held not less than seven nor more than fourteen days prior to a special meeting called for the purpose, nor from presenting a supplementary and amended statement or estimate at any time.

2. Such statement shall be completed at least seven days before the budget hearing at which it is to be presented and copies thereof shall be prepared and made available, upon request and at the school district offices, at any public library or free association library within the district and on the school district's internet website, if one exists, to residents within the district during the period of fourteen days immediately preceding the annual meeting [and election or special district meeting at which the budget vote will occur] and at such meeting or hearing. The board shall also as a part of the notice required by section two thousand four of this [chapter] TITLE give notice of the date, time and place of the budget hearing and that a copy of such statement may be obtained by any resident in the district at each schoolhouse in the district in which school is maintained during certain designated hours on each day other than a Saturday, Sunday or holiday during the fourteen days immediately preceding such meeting. The board shall include notice of the availability of such statement at least once during the school year in any district-wide mailing distributed.

3. Commencing with the proposed budget for the nineteen hundred ninety-seven--ninety-eight school year, such proposed budget shall be in plain language and shall be consistent with regulations promulgated by the commissioner pursuant to subdivision twenty-six of section three hundred five of this chapter. Categorization of and format for revenue, including payments in lieu of taxes, property tax refunds from certiorari proceedings, expenditure, transfer, and fund balance information and changes in such data from the prior year and, in the case of [a resubmitted or] AN amended budget, changes in such information from the prior year submitted budget, shall be complete and accurate and set forth in such a manner as to best promote public comprehension and readability.

4. Commencing with the proposed budget for the nineteen hundred ninety-eight--ninety-nine school year, such proposed budget shall be presented in three components: a program component, a capital component and an administrative component which shall be separately delineated in accordance with regulations of the commissioner after consultation with

local school district officials. The administrative component shall include, but need not be limited to, office and central administrative expenses, traveling expenses and all compensation, salaries and benefits of all school administrators and supervisors, including business administrators, superintendents of schools and deputy, assistant, associate or other superintendents under all existing employment contracts or collective bargaining agreements, any and all expenditures associated with the operation of the board of education, the office of the superintendent of schools, general administration, the school business office, consulting costs not directly related to direct student services and programs, planning and all other administrative activities. The program component shall include, but need not be limited to, all program expenditures of the school district, including the salaries and benefits of teachers and any school administrators or supervisors who spend a majority of their time performing teaching duties, and all transportation operating expenses. The capital component shall include, but need not be limited to, all transportation capital, debt service, and lease expenditures; costs resulting from judgments in tax certiorari proceedings or the payment of awards from court judgments, administrative orders or settled or compromised claims; and all facilities costs of the school district, including facilities lease expenditures, the annual debt service and total debt for all facilities financed by bonds and notes of the school district, and the costs of construction, acquisition, reconstruction, rehabilitation or improvement of school buildings, provided that such budget shall include a rental, operations and maintenance section that includes base rent costs, total rent costs, operation and maintenance charges, cost per square foot for each facility leased by the school district, and any and all expenditures associated with custodial salaries and benefits, service contracts, supplies, utilities, and maintenance and repairs of school facilities. [For the purposes of the development of a budget for the nineteen hundred ninety-eight--ninety-nine school year, the board of education shall separate the district's program, capital and administrative costs for the nineteen hundred ninety-seven--ninety-eight school year in the manner as if the budget for such year had been presented in three components.]

5. The board of education shall append to the statement of estimated expenditures a detailed statement of the total compensation to be paid to the superintendent of schools, and any assistant or associate superintendents of schools in the ensuing school year, including a delineation of the salary, annualized cost of benefits and any in-kind or other form of remuneration. The board shall also append a list of all other school administrators and supervisors, if any, whose annual salary will be eighty-five thousand dollars or more in the ensuing school year, with the title of their positions and annual salary identified; provided however, that the commissioner may adjust such salary level to reflect increases in administrative salaries after June thirtieth, nineteen hundred ninety-eight. The board of education shall submit a copy of such list and statement, in a form prescribed by the commissioner, of compensation to the commissioner within five days after their preparation. The commissioner shall compile such data, together with the data submitted pursuant to subdivision four of section sixteen hundred eight of this [chapter] TITLE, into a single statewide compilation, which shall be made available to the governor, the legislature, and other interested parties upon request.

6. Each year, the board of education shall prepare a school district report card, pursuant to regulations of the commissioner, and shall make

it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual meeting, and otherwise disseminating it as required by the commissioner. Such report card shall include measures of the academic performance of the school district, on a school by school basis, and measures of the fiscal performance of the district, as prescribed by the commissioner. Pursuant to regulations of the commissioner, the report card shall also compare these measures to statewide averages for all public schools, and statewide averages for public schools of comparable wealth and need, developed by the commissioner. Such report card shall include, at a minimum, any information of the school district regarding pupil performance and expenditure per pupil required to be included in the annual report by the regents to the governor and the legislature pursuant to section two hundred fifteen-a of this chapter; and any other information required by the commissioner. School districts (i) identified as having fifteen percent or more of their students in special education, or (ii) which have fifty percent or more of their students with disabilities in special education programs or services sixty percent or more of the school day in a general education building, or (iii) which have eight percent or more of their students with disabilities in special education programs in public or private separate educational settings shall indicate on their school district report card their respective percentages as defined in this paragraph and paragraphs (i) and (ii) of this subdivision as compared to the statewide average.

7. a. Each year, commencing with the proposed budget for the two thousand--two thousand one school year, the board of education shall prepare a property tax report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual [meeting] BUDGET HEARING, and otherwise disseminating it as required by the commissioner. Such report card shall include: (i) the amount of total spending and total estimated school tax levy that would result from adoption of the proposed budget and the percentage increase or decrease in total spending and total school tax levy from the school district budget for the preceding school year; and (ii) THE DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, THE TAX LEVY PROPOSED BY THE DISTRICT, AND THE PROPOSED CAPITAL TAX LEVY, IF ANY; AND (III) the district's tax levy limit determined pursuant to section two thousand twenty-three-a of this title, and the estimated school tax levy, excluding any levy necessary to support the expenditures pursuant to subparagraphs (i) through (iv) of paragraph i of subdivision two of section two thousand twenty-three-a of this title, that would result from adoption of the proposed budget; and [(iii)] (IV) the projected enrollment growth for the school year for which the budget is prepared, and the percentage change in enrollment from the previous year; and [(iv)] (V) the percentage increase in the consumer price index, as defined in paragraph c of this subdivision; and [(v)] (VI) the projected amount of the unappropriated unreserved fund balance that will be retained if the proposed budget is adopted, the projected amount of the reserved fund balance, the projected amount of the appropriated fund balance, the percentage of the proposed budget that the unappropriated unreserved fund balance represents, the actual unappropriated unreserved fund balance retained in the school district budget for the preceding

school year, and the percentage of the school district budget for the preceding school year that the actual unappropriated unreserved fund balance represents.

b. A copy of the property tax report card prepared for the annual [district meeting] BUDGET HEARING shall be submitted to the department in the manner prescribed by the department by the end of the business day next following approval of the report card by the board of education, but no later than twenty-four days prior to the statewide uniform voting day. The department shall compile such data for all school districts [whose budgets are subject to a vote of the qualified voters] SUBJECT TO A TAX LEVY LIMITATION PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW and shall make such compilation available electronically at least ten days prior to the statewide uniform voting day.

c. For purposes of this subdivision, "percentage increase in the consumer price index" shall mean the percentage that represents the product of one hundred and the quotient of: (i) the average of the national consumer price indexes determined by the United States department of labor for the twelve-month period preceding January first of the current year minus the average of the national consumer price indexes determined by the United States department of labor for the twelve-month period preceding January first of the prior year, divided by (ii) the average of the national consumer price indexes determined by the United States department of labor for the twelve-month period preceding January first of the prior year, with the result expressed as a decimal to two places.

S 8-a. Paragraph a of subdivision 7 of section 1716 of the education law, as amended by chapter 238 of the laws of 2007, is amended to read as follows:

a. Each year, commencing with the proposed budget for the two thousand--two thousand one school year, the board of education shall prepare a property tax report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual [meeting] BUDGET HEARING, and otherwise disseminating it as required by the commissioner. Such report card shall include: (i) the amount of total spending and total estimated school tax levy that would result from adoption of the proposed budget and the percentage increase or decrease in total spending and total school tax levy from the school district budget for the preceding school year; and (ii) THE DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, AND THE TAX LEVY PROPOSED BY THE DISTRICT, AND THE PROPOSED CAPITAL TAX LEVY, IF ANY; AND (III) the projected enrollment growth for the school year for which the budget is prepared, and the percentage change in enrollment from the previous year; and [(iii)] (IV) the percentage increase in the consumer price index, as defined in paragraph c of this subdivision; and [(iv)] (V) the projected amount of the unappropriated unreserved fund balance that will be retained if the proposed budget is adopted, the projected amount of the reserved fund balance, the projected amount of the appropriated fund balance, the percentage of the proposed budget that the unappropriated unreserved fund balance represents, the actual unappropriated unreserved fund balance retained in the school district budget for the preceding school year, and the percentage of the school district budget for the preceding school year that the actual unappropriated unreserved fund balance represents.

S 9. Section 2008 of the education law is amended by adding a new subdivision 4 to read as follows:

4. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, IT SHALL NOT BE WITHIN THE POWERS OF THE VOTERS OF A SCHOOL DISTRICT TO SUBMIT A PROPOSITION THAT REQUIRES THE EXPENDITURE OF MONEY, PROVIDED THAT THE VOTERS MAY SUBMIT A TAX LEVY LIMIT UNDERRIDE PROPOSITION AS AUTHORIZED PURSUANT TO SUBDIVISION TWO OF SECTION TWO THOUSAND TWENTY-THREE-B OF THIS PART OR A PROPOSITION TO CHANGE THE MILEAGE LIMITATIONS ON TRANSPORTATION PURSUANT TO SUBDIVISION NINETEEN OF SECTION TWO THOUSAND TWENTY-ONE OF THIS PART.

S 10. Section 2022 of the education law, as amended by section 7 of part A of chapter 97 of the laws of 2011, is amended to read as follows:

S 2022. [Vote on] ADOPTION OF school district budgets [and on the]; ANNUAL DISTRICT MEETING AND election of school district trustees and board of education members. 1. Notwithstanding any law, rule or regulation to the contrary, the ANNUAL DISTRICT MEETING AND election of trustees or members of the board of education, and the TAX LEVY PREPOSITION vote [upon the appropriation of the necessary funds to meet the estimated expenditures,] in any common school district, union free school district, central school district or central high school district shall be held [at the annual meeting and election] on the third Tuesday in May, provided, however, that such election shall be held on the second Tuesday in May if the commissioner at the request of a local school board certifies no later than March first that such election would conflict with religious observances. The sole trustee, board of trustees or board of education of every common, union free, central or central high school district and every city school district to which this article applies shall hold a budget hearing not less than seven nor more than fourteen days prior to the annual meeting and election [or special district meeting at which a school budget vote will occur], and shall prepare and present to the voters at such budget hearing a proposed school district budget for the ensuing school year. IF THE QUALIFIED VOTERS HAVE APPROVED A TAX LEVY PROPOSITION OR UNDERRIDE PROPOSITION IN ACCORDANCE WITH SECTION TWO THOUSAND TWENTY-THREE-B OF THIS PART, SUCH TRUSTEES OR BOARD OF EDUCATION SHALL ADOPT A BUDGET THAT COMPLIES WITH SUCH PROPOSITION. IF NO TAX LEVY PROPOSITION OR UNDERRIDE PROPOSITION HAS BEEN APPROVED BY THE QUALIFIED VOTERS, THEN THE TRUSTEES OR BOARD OF EDUCATION SHALL ADOPT A BUDGET THAT REQUIRES A TAX LEVY, EXCLUDING ANY CAPITAL TAX LEVY, THAT IS NO GREATER THAN THE TAX LEVY BASE DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW.

2. [Except as provided in subdivision four of this section, nothing] NOTHING in this section shall preclude the trustees or board of education, in their discretion, from submitting additional items of expenditure to the voters for approval as separate propositions or the voters from submitting propositions pursuant to sections two thousand eight and two thousand thirty-five of this part; provided however that such propositions shall be subject to the requirements set forth in subdivision nine of section two thousand twenty-three-a of this part.

2-a. Every common, union free, central, central high school district and city school district to which this article applies shall mail a school budget notice to all qualified voters of the school district after the date of the budget hearing, but no later than six days prior to the annual meeting and election [or special district meeting at which a school budget vote will occur]. The school budget notice shall compare the percentage increase or decrease in total spending under the proposed budget over total spending under the school district budget adopted for the current school year, with the percentage increase or decrease in the consumer price index, from January first of the prior school year to January first of the current school year, and shall also include the [information required by paragraphs a and b of this subdivision. The notice shall also set forth the date, time and place of the school budget vote, in the same manner as in the notice of annual meeting, and shall also include the district's tax levy limit pursuant to section two thousand twenty-three-a of this part, and the estimated school tax levy, excluding any levy necessary to support the expenditures pursuant to subparagraphs (i) through (iv) of paragraph i of subdivision two of section two thousand twenty-three-a of this part, that would result from adoption of the proposed budget] DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, AND THE TAX LEVY PROPOSED BY THE DISTRICT, AND THE PROPOSED CAPITAL TAX LEVY, IF ANY. Such notice shall be in a form prescribed by the commissioner.

[a. Commencing with the proposed budget for the two thousand one--two thousand two school year, such notice shall also include a description of how total spending and the tax levy resulting from the proposed budget would compare with a projected contingency budget adopted pursuant to section two thousand twenty-three of this article, assuming that such contingency budget is adopted on the same day as the vote on the proposed budget. Such comparison shall be in total and by component (program, capital and administrative), and shall include a statement of the assumptions made in estimating the projected contingency budget.

b.] Commencing with the proposed budget for the two thousand eight--two thousand nine school year, such notice shall also include, in a format prescribed by the commissioner, an estimate of the tax savings that would be available to an eligible homeowner under the basic school tax relief (STAR) exemption authorized by section four hundred twenty-five of the real property tax law if the proposed budget were adopted. Such estimate shall be made in the manner prescribed by the commissioner, in consultation with the office of real property services.

3. In all elections for trustees or members of boards of education or votes OR PROPOSITIONS involving the expenditure of money, or authorizing the levy of taxes, OR VOTES ON PROPOSITIONS TO UNDERRIDE A TAX LEVY LIMITATION PURSUANT TO SECTION TWO THOUSAND TWENTY-THREE-B OF THIS PART, the vote thereon shall be by ballot, or, in school districts that prior to nineteen hundred ninety-eight conducted their vote at the annual meeting, may be ascertained by taking and recording the ayes and noes of such qualified voters attending and voting at such district meetings.

4. The budget adoption process shall conform to the requirements set forth in section two thousand twenty-three-a of this part. [In the event that the original proposed budget is not approved by the voters, the sole trustee, trustees or board of education may adopt a final budget pursuant to subdivision five of this section or resubmit to the voters the original or a revised budget pursuant to subdivision three of section two thousand seven of this part. Upon one defeat of such resubmitted budget, the sole trustee, trustees or board of education shall adopt a final budget pursuant to subdivision five of this section.] Notwithstanding any other provision of law to the contrary, [the school district budget for any school year, or any part of such budget or] any propositions involving the expenditure of money for such school year

shall not be submitted for a vote of the qualified voters more than twice.

[5. If the qualified voters fail to approve the proposed school district budget upon resubmission or upon a determination not to resubmit for a second vote pursuant to subdivision four of this section, the sole trustee, trustees or board of education, after applying thereto the public school moneys and other moneys received or to be received for that purpose, shall levy a tax for the sum necessary for teachers' salaries and other ordinary contingent expenses in accordance with the provisions of this subdivision and sections two thousand twenty-three and two thousand twenty-three-a of this article.

6. Notwithstanding the provisions of subdivision four of section eighteen hundred four and subdivision five of section nineteen hundred six of this title, subdivision one of section two thousand two of this article, subdivision one of this section, subdivision two of section twenty-six hundred one-a of this title and any other provision of law to the contrary, the annual district meeting and election of every common, union free, central and central high school district and the annual meeting of every city school district in a city having a population of less than one hundred twenty-five thousand inhabitants that is scheduled to be held on the third Tuesday of May, two thousand three is hereby adjourned until the first Tuesday in June, two thousand three. The trustees or board of education of each such school district shall provide notice of such adjourned meeting to the qualified voters in the manner prescribed for notice of the annual meeting, and such notice shall provide for an adjourned budget hearing. The adjourned district meeting or district meeting and election shall be deemed the annual meeting or annual meeting and election of the district for all purposes under this title and the date of the adjourned meeting shall be deemed the statewide uniform voting day for all purposes under this title. Notwithstanding the provisions of subdivision seven of section sixteen hundred eight or subdivision seven of section seventeen hundred sixteen of this title or any other provision of law, rule or regulation to the contrary, in two thousand three the property tax report card shall be submitted to the department no later than twenty days prior to the date of the adjourned meeting and the department shall make its compilation available electronically at least seven days prior to such date.]

S 10-a. Section 2022 of the education law, as amended by section 23 of part A of chapter 436 of the laws of 1997, subdivisions 1 and 3 as amended by section 8 of part C of chapter 58 of the laws of 1998, subdivision 2-a as amended by section 3 of part A of chapter 60 of the laws of 2000, paragraph b of subdivision 2-a as amended by section 5 of part W of chapter 57 of the laws of 2008, subdivision 4 as amended by section 7 of part M of chapter 57 of the laws of 2005 and subdivision 6 as added by chapter 61 of the laws of 2003, is amended to read as follows:

S 2022. [Vote on] ADOPTION OF school district budgets [and on the]; ANNUAL DISTRICT MEETING AND election of school district trustees and board of education members. 1. Notwithstanding any law, rule or regulation to the contrary, the ANNUAL DISTRICT MEETING AND election of trustees or members of the board of education, and the TAX LEVY PROPOSITION vote [upon the appropriation of the necessary funds to meet the estimated expenditures,] in any common school district, union free school district, central school district or central high school district shall be held [at the annual meeting and election] on the third Tuesday in May, provided, however, that such election shall be held on the second Tuesday in May if the commissioner at the request of a local school board certifies no later than March first that such election would conflict with religious observances. [When such election or vote is taken by recording the ayes and noes of the qualified voters attending, a majority of the qualified voters present and voting, by a hand or voice vote, may determine to take up the question of voting the necessary funds to meet the estimated expenditures for a specific item separately, and the qualified voters present and voting may increase the amount of any estimated expenditures or reduce the same, except for teachers' salaries, and the ordinary contingent expenses of the schools.] The sole trustee, board of trustees or board of education of every common, union free, central or central high school district and every city school district to which this article applies shall hold a budget hearing not less than seven nor more than fourteen days prior to the annual meeting and election [or special district meeting at which a school budget vote will occur], and shall prepare and present to the voters at such budget hearing a proposed school district budget for the ensuing school year. IF THE QUALIFIED VOTERS HAVE APPROVED A TAX LEVY PROPOSITION OR UNDERRIDE PROPOSITION IN ACCORDANCE WITH SECTION TWO THOUSAND TWENTY-THREE-B OF THIS PART, SUCH TRUSTEES OR BOARD OF EDUCATION SHALL ADOPT A BUDGET THAT COMPLIES WITH SUCH PROPOSITION. IF NO TAX LEVY PROPOSITION OR UNDERRIDE PROPOSITION HAS BEEN APPROVED BY THE QUALIFIED VOTERS, THEN THE TRUSTEES OR BOARD OF EDUCATION SHALL ADOPT A BUDGET THAT REQUIRES A TAX LEVY, EXCLUDING ANY CAPITAL TAX LEVY, THAT IS NO GREATER THAN THE TAX LEVY BASE DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW.

2. [Except as provided in subdivision four of this section, nothing] NOTHING in this section shall preclude the trustees or board of education, in their discretion, from submitting additional items of expenditure to the voters for approval as separate propositions or the voters from submitting propositions pursuant to [section] SECTIONS two thousand eight and two thousand thirty-five of this [article] PART.

2-a. Every common, union free, central, central high school district and city school district to which this article applies shall mail a school budget notice to all qualified voters of the school district after the date of the budget hearing, but no later than six days prior to the annual meeting and election [or special district meeting at which a school budget vote will occur]. The school budget notice shall compare the percentage increase or decrease in total spending under the proposed budget over total spending under the school district budget adopted for the current school year, with the percentage increase or decrease in the consumer price index, from January first of the prior school year to January first of the current school year, and shall also include the [information required by paragraphs a and b of this subdivision. The notice shall also set forth the date, time and place of the school budget vote, in the same manner as in the notice of annual meeting] DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, AND THE TAX LEVY PROPOSED BY THE DISTRICT, AND THE PROPOSED CAPITAL TAX LEVY, IF ANY. Such notice shall be in a form prescribed by the commissioner.

[a. Commencing with the proposed budget for the two thousand one--two thousand two school year, such notice shall also include a description of how total spending and the tax levy resulting from the proposed budget would compare with a projected contingency budget adopted pursuant to section two thousand twenty-three of this article, assuming that such contingency budget is adopted on the same day as the vote on the proposed budget. Such comparison shall be in total and by component (program, capital and administrative), and shall include a statement of the assumptions made in estimating the projected contingency budget.

b.] Commencing with the proposed budget for the two thousand eight--two thousand nine school year, such notice shall also include, in a format prescribed by the commissioner, an estimate of the tax savings that would be available to an eligible homeowner under the basic school tax relief (STAR) exemption authorized by section four hundred twenty-five of the real property tax law if the proposed budget were adopted. Such estimate shall be made in the manner prescribed by the commissioner, in consultation with the office of real property services.

3. In all elections for trustees or members of boards of education or votes ON PROPOSITIONS involving the expenditure of money, or authorizing the levy of taxes, OR VOTES ON PROPOSITIONS TO UNDERRIDE A TAX LEVY LIMITATION PURSUANT TO SECTION TWO THOUSAND TWENTY-THREE-B OF THIS PART, the vote thereon shall be by ballot, or, in school districts that prior to nineteen hundred ninety-eight conducted their vote at the annual meeting, may be ascertained by taking and recording the ayes and noes of such qualified voters attending and voting at such district meetings.

4. [In the event that the original proposed budget is not approved by the voters, the sole trustee, trustees or board of education may adopt a final budget pursuant to subdivision five of this section or resubmit to the voters the original or a revised budget pursuant to subdivision three of section two thousand seven of this part. Upon one defeat of such resubmitted budget, the sole trustee, trustees or board of education shall adopt a final budget pursuant to subdivision five of this section.] Notwithstanding any other provision of law to the contrary, [the school district budget for any school year, or any part of such budget or] any propositions involving the expenditure of money for such school year shall not be submitted for a vote of the qualified voters more than twice.

[5. If the qualified voters fail to approve the proposed school district budget upon resubmission or upon a determination not to resubmit for a second vote pursuant to subdivision four of this section, the sole trustee, trustees or board of education, after applying thereto the public school moneys and other moneys received or to be received for that purpose, shall levy a tax for the sum necessary for teachers' salaries and other ordinary contingent expenses in accordance with the provisions of this subdivision and section two thousand twenty-three of this article.

6. Notwithstanding the provisions of subdivision four of section eighteen hundred four and subdivision five of section nineteen hundred six of this title, subdivision one of section two thousand two of this article, subdivision one of this section, subdivision two of section twenty-six hundred one-a of this title and any other provision of law to the contrary, the annual district meeting and election of every common, union free, central and central high school district and the annual meeting of every city school district in a city having a population of less than one hundred twenty-five thousand inhabitants that is scheduled to be held on the third Tuesday of May, two thousand three is hereby adjourned until the first Tuesday in June, two thousand three. The trustees or board of education of each such school district shall provide notice of such adjourned meeting to the qualified voters in the manner prescribed for notice of the annual meeting, and such notice shall provide for an adjourned budget hearing. The adjourned district meeting or district meeting and election shall be deemed the annual meeting or annual meeting and election of the district for all purposes under this

title and the date of the adjourned meeting shall be deemed the statewide uniform voting day for all purposes under this title. Notwithstanding the provisions of subdivision seven of section sixteen hundred eight or subdivision seven of section seventeen hundred sixteen of this title or any other provision of law, rule or regulation to the contrary, in two thousand three the property tax report card shall be submitted to the department no later than twenty days prior to the date of the adjourned meeting and the department shall make its compilation available electronically at least seven days prior to such date.]

S 11. The education law is amended by adding a new section 2023-b to read as follows:

S 2023-B. VOTER APPROVAL OF TAX LEVY LIMITATIONS. 1. THE TAX LEVY FOR ANY SCHOOL DISTRICT SUBJECT TO THE TAX LEVY LIMITATIONS ESTABLISHED BY SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW SHALL BE APPROVED BY THE QUALIFIED VOTERS OF THE SCHOOL DISTRICT AS PROVIDED IN THIS SECTION. AS USED IN THIS SECTION, THE TERM "TAX LEVY PROPOSITION" MEANS A PROPOSITION TO AUTHORIZE A TAX LEVY SUFFICIENT TO SUPPORT THE PROPOSED SCHOOL DISTRICT BUDGET, EXCLUDING ANY PROPOSED CAPITAL TAX LEVY; THE TERM "UNDERRIDE PROPOSITION" MEANS A PROPOSITION TO IMPOSE A MORE RESTRICTIVE TAX LEVY LIMIT UPON A SCHOOL DISTRICT THAN THE TAX LEVY LIMIT ESTABLISHED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW; AND THE TERM "GENERAL PURPOSE STATE AID" MEANS ALL FORMS OF STATE AID WHICH ARE PAYABLE TO A SCHOOL DISTRICT AS GENERAL SUPPORT FOR THE PUBLIC SCHOOLS, WITH THE EXCEPTION OF BUILDING AID, LIBRARY AID, COMPUTER HARDWARE AND SOFTWARE AID, UNIVERSAL PRE-KINDERGARTEN AID AND TEXTBOOK AID. THE DIRECTOR OF THE BUDGET SHALL ANNUALLY CERTIFY THE AMOUNT OF GENERAL PURPOSE STATE AID PAYABLE TO EACH SCHOOL DISTRICT.

2. A. THE QUALIFIED VOTERS OF A COMMON SCHOOL DISTRICT, UNION FREE SCHOOL DISTRICT, CENTRAL SCHOOL DISTRICT, CENTRAL HIGH SCHOOL DISTRICT OR A CITY SCHOOL DISTRICT IN A CITY WITH LESS THAN ONE HUNDRED TWENTY-FIVE THOUSAND INHABITANTS, UPON FILING OF A VALID PETITION PURSUANT TO PARAGRAPH B OF THIS SUBDIVISION, MAY VOTE TO IMPOSE TAX LEVY LIMITS FOR THE ENSUING SCHOOL YEAR THAT ARE MORE RESTRICTIVE THAN THOSE OTHERWISE IMPOSED BY SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW. NO SUCH VOTE SHALL APPLY TO MORE THAN ONE SCHOOL YEAR.

B. UPON THE FILING WITH THE TRUSTEE, TRUSTEES OR BOARD OF EDUCATION OF ONE OR MORE PETITIONS PURSUANT TO THIS SUBDIVISION REQUESTING THAT AN UNDERRIDE PROPOSITION BE SUBMITTED FOR A VOTE AT A SPECIAL DISTRICT MEETING, SUCH OFFICERS SHALL CALL A SPECIAL DISTRICT MEETING TO BE HELD ON THE FIRST TUESDAY IN MAY, OR THE LAST TUESDAY IN APRIL WHERE THERE WOULD BE A CONFLICT WITH RELIGIOUS OBSERVANCES, IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF SUBDIVISION THREE OF SECTION TWO THOUSAND SEVEN OF THIS PART, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED VOTERS AN UNDERRIDE PROPOSITION. SUCH OFFICERS SHALL SUBMIT FOR A VOTE OF THE QUALIFIED VOTERS THE PROPOSITION THAT WAS SIGNED BY THE GREATEST NUMBER OF QUALIFIED VOTERS, OR, IF THERE IS A TIE, THE PROPOSITION SIGNED BY THE GREATEST NUMBER OF QUALIFIED VOTERS THAT WAS FILED FIRST. A PETITION FOR AN UNDERRIDE PROPOSITION SHALL BE SIGNED BY: (I) AT LEAST TEN PERCENT OF THE REGISTERED VOTERS OF THE SCHOOL DISTRICT BASED ON THE REGISTER PREPARED AT THE LAST ANNUAL MEETING AND ELECTION OF THE SCHOOL DISTRICT; OR (II) IF THE SCHOOL DISTRICT DOES NOT PROVIDE FOR THE PERSONAL REGISTRATION OF VOTERS, BY TWO HUNDRED FIFTY QUALIFIED VOTERS OR TWENTY PERCENT OF THE NUMBER OF VOTERS WHO VOTED IN THE PREVIOUS ANNUAL ELECTION OF THE MEMBERS OF THE BOARD OF EDUCATION OR TRUSTEES, WHICHEVER IS LESS. SUCH PETITION SHALL BE FILED IN THE OFFICE OF THE

CLERK OF THE DISTRICT BETWEEN THE HOURS OF NINE A.M. AND FIVE P.M., NOT LATER THAN THE TWENTIETH DAY PRECEDING THE SPECIAL DISTRICT MEETING AT WHICH AN UNDERRIDE VOTE MAY OCCUR.

C. WHERE A PROPOSITION TO UNDERRIDE A TAX LEVY LIMITATION IS TO BE SUBMITTED FOR A VOTE AT A SPECIAL DISTRICT MEETING CALLED FOR THIS PURPOSE, THE CLERK OF THE DISTRICT SHALL GIVE NOTICE OF THE TIME AND PLACE OF THE SPECIAL DISTRICT MEETING BY PUBLISHING A NOTICE AT LEAST FOURTEEN DAYS PRIOR TO THE SPECIAL DISTRICT MEETING IN TWO NEWSPAPERS IF THERE SHALL BE TWO, OR IN ONE NEWSPAPER IF THERE SHALL BE BUT ONE, HAVING GENERAL CIRCULATION WITHIN SUCH DISTRICT, PROVIDED, HOWEVER, THAT IF THERE IS NO NEWSPAPER HAVING GENERAL CIRCULATION WITHIN THE DISTRICT, THE SAID NOTICE SHALL BE POSTED IN AT LEAST TWENTY OF THE MOST PUBLIC PLACES IN SAID DISTRICT FOURTEEN DAYS BEFORE THE TIME OF SUCH MEETING.

D. AN UNDERRIDE PROPOSITION SHALL BE A SEPARATE PROPOSITION IN SUBSTANTIALLY THE FOLLOWING FORM:

"SHALL THE   SCHOOL DISTRICT BE REQUIRED TO IMPOSE A TAX LEVY FOR THE   SCHOOL YEAR, EXCLUDING ANY CAPITAL TAX LEVY, THAT IS NO GREATER THAN   , EVEN THOUGH THE STATUTORY TAX LEVY LIMIT FOR THAT SCHOOL YEAR IS   ?"

E. AN UNDERRIDE PROPOSITION SHALL BE APPROVED IF OVER FIFTY PERCENT OF THE VOTES CAST THEREON ARE IN THE AFFIRMATIVE. IF SUCH UNDERRIDE PROPOSITION IS APPROVED BY THE QUALIFIED VOTERS, THE TAX LEVY LIMIT IMPOSED THEREBY SHALL BE DEEMED TO BE THE TAX LEVY LIMIT FOR THE SCHOOL DISTRICT FOR THE COMING SCHOOL YEAR FOR PURPOSES OF SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, AND THE TRUSTEES OR BOARD OF EDUCATION SHALL ADOPT A BUDGET THAT COMPLIES WITH SUCH TAX LEVY LIMIT. UPON APPROVAL OF AN UNDERRIDE PROPOSITION, NO OTHER TAX LEVY PROPOSITION MAY BE SUBMITTED TO THE VOTERS FOR THAT SAME SCHOOL YEAR.

3. A. UNLESS AN UNDERRIDE PROPOSITION HAS BEEN APPROVED PURSUANT TO SUBDIVISION TWO OF THIS SECTION, THE TRUSTEE, TRUSTEES OR BOARD OF EDUCATION OF A SCHOOL DISTRICT SHALL PRESENT AT THE ANNUAL MEETING AND ELECTION A TAX LEVY PROPOSITION IN SUBSTANTIALLY THE FOLLOWING FORM:

"SHALL THE   SCHOOL DISTRICT BE AUTHORIZED TO IMPOSE A TAX LEVY FOR THE   SCHOOL YEAR, EXCLUDING ANY CAPITAL TAX LEVY, OF   , WHEN THE STATUTORY TAX LEVY LIMIT FOR THAT SCHOOL YEAR IS   ?"

B. EXCEPT AS OTHERWISE PROVIDED IN SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, IF THE PROPOSED TAX LEVY DOES NOT EXCEED THE TAX LEVY LIMIT DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, THEN THE PROPOSITION SHALL BE APPROVED IF OVER FIFTY PERCENT OF THE VOTES CAST THEREON ARE IN THE AFFIRMATIVE. IF THE PROPOSED TAX LEVY WOULD EXCEED THE TAX LEVY LIMIT DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, THEN THE PROPOSITION SHALL BE APPROVED IF OVER FIFTY-FIVE PERCENT OF VOTES CAST THEREON ARE IN THE AFFIRMATIVE.

IF THE AMOUNT OF GENERAL PURPOSE STATE AID WHICH WILL BE PAYABLE TO A SCHOOL DISTRICT FOR THE COMING SCHOOL YEAR HAS NOT BEEN CERTIFIED BY THE DIRECTOR OF THE BUDGET, THEN FIFTY PERCENT OF THE VOTES CAST ON THE PROPOSITION BY QUALIFIED VOTERS MUST BE IN THE AFFIRMATIVE IN ORDER FOR THE PROPOSITION TO BE APPROVED.

C. IF THE TAX LEVY PROPOSITION IS APPROVED BY THE QUALIFIED VOTERS, THE TAX LEVY LIMIT IMPOSED THEREBY SHALL BE DEEMED TO BE THE TAX LEVY LIMIT FOR THE SCHOOL DISTRICT FOR THE COMING SCHOOL YEAR, AND THE TRUSTEES OR BOARD OF EDUCATION SHALL ADOPT A BUDGET THAT COMPLIES WITH SUCH TAX LEVY LIMIT. IF, HOWEVER, THE TAX LEVY PROPOSITION IS NOT APPROVED BY THE QUALIFIED VOTERS, THEN THE TRUSTEES OR BOARD OF EDUCATION SHALL

ADOPT A BUDGET THAT REQUIRES A TAX LEVY EXCLUDING ANY CAPITAL TAX LEVY, THAT IS NO GREATER THAN THE TAX LEVY BASE DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW.

S 12. This act shall take effect immediately; provided, however, that:

(a) the amendments to paragraph a of subdivision 7 of section 1608 of the education law, made by section seven of this act, shall not affect the expiration of such paragraph and shall expire therewith, when upon such date the provisions of section seven-a of this act shall take effect;

(b) the amendments to paragraph a of subdivision 7 of section 1716 of the education law, made by section eight of this act, shall not affect the expiration of such paragraph and shall expire therewith, when upon such date the provisions of section eight-a of this act shall take effect; and

(c) the amendments to section 2022 of the education law, made by section ten of this act, shall not affect the expiration of such section and shall expire therewith, when upon such date the provisions of section ten-a of this act shall take effect.