

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

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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:

1 Section 1. The real property tax law is amended by adding a new
2 section 1306-b to read as follows:
3 S 1306-B. "MIDDLE CLASS STAR" REBATE PROGRAM. 1. TAX REBATES. (A) IF A
4 PARCEL IS ENTITLED TO THE BASIC OR ENHANCED STAR EXEMPTION AUTHORIZED BY
5 SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER FOR THE TWO THOUSAND
6 THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR AND EACH YEAR THEREAFTER,
7 EXCEPT AS PROVIDED IN PARAGRAPH (G) OF SUBDIVISION THREE OF THIS
8 SECTION, A LOCAL PROPERTY TAX REBATE SHALL BE PROVIDED TO THE OWNER OR
9 OWNERS OF SUCH PARCEL AS SHOWN ON THE FINAL ASSESSMENT ROLL FOR SUCH
10 YEAR, IN AN AMOUNT COMPUTED AS PRESCRIBED BY THIS SECTION AND SECTION
11 ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.
12 (B) IT SHALL BE THE RESPONSIBILITY OF THE STATE DEPARTMENT OF TAXATION
13 AND FINANCE TO ISSUE SUCH TAX REBATES TO SUCH OWNERS IN THE MANNER
14 PROVIDED BY SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW. NOTHING IN
15 THIS SECTION SHALL BE CONSTRUED AS PERMITTING PARTIAL OR INSTALLMENT
16 PAYMENTS OF TAXES IN A JURISDICTION WHICH HAS NOT AUTHORIZED THE SAME
17 PURSUANT TO LAW.
18 2. PROCEDURE. (A) ON OR BEFORE AUGUST FIFTEENTH EACH YEAR, THE DEPART-
19 MENT, OR ON OR BEFORE JULY FIRST EACH YEAR, IN THE CASE OF A CITY WITH A
20 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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1 OR HER DESIGNEE, SHALL PROVIDE TO THE COMMISSIONER A REPORT IN A MUTUAL-
2 LY AGREEABLE FORMAT CONCERNING THOSE PARCELS WHICH HAVE BEEN GRANTED AN
3 EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER
4 ON THE ASSESSMENT ROLLS USED TO GENERATE THE SCHOOL TAX BILLS FOR THE
5 TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL TAX YEAR AND FOR
6 EACH YEAR THEREAFTER; EXCEPT AS PROVIDED IN PARAGRAPH (G) OF SUBDIVISION
7 THREE OF THIS SECTION, PROVIDED HOWEVER THE INFORMATION TO BE PROVIDED
8 ON SUCH REPORT SHALL BE OBTAINED FROM THE FINAL ASSESSMENT ROLL DATA
9 FILES USED TO GENERATE THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN
10 SCHOOL TAX BILLS AND EACH YEAR THEREAFTER, FILED WITH THE DEPARTMENT
11 PURSUANT TO SECTION FIFTEEN HUNDRED NINETY OF THIS CHAPTER ON OR BEFORE
12 JULY THIRTY-FIRST OF SUCH YEAR. SUCH REPORT SHALL SET FORTH THE NAMES
13 AND MAILING ADDRESSES OF THE OWNERS OF SUCH PARCELS AS SHOWN ON SUCH
14 ASSESSMENT ROLL DATA FILES, THE IDENTIFICATION NUMBERS OF SUCH PARCELS
15 AS SHOWN ON SUCH ASSESSMENT ROLL DATA FILES, AND SUCH OTHER INFORMATION
16 IN THE POSSESSION OF THE DEPARTMENT, OR IN THE CASE OF A CITY WITH A
17 POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, AS THE
18 COMMISSIONER MAY DEEM NECESSARY FOR THE EFFECTIVE ADMINISTRATION OF THIS
19 PROGRAM, INCLUDING INFORMATION REGARDING COOPERATIVE APARTMENT BUILDINGS
20 AND MOBILE HOME PARKS OR SIMILAR PROPERTY. IT SHALL BE THE RESPONSIBIL-
21 ITY OF THE ASSESSOR OR ASSESSORS OF EACH ASSESSING UNIT TO ENSURE THAT
22 THE NAMES AND MAILING ADDRESSES OF SUCH OWNERS ARE ACCURATELY RECORDED
23 ON SUCH ROLLS AND FILES TO THE BEST OF HIS OR HER ABILITY, BASED UPON
24 THE INFORMATION CONTAINED IN HIS OR HER OFFICE. NOTHING CONTAINED IN
25 THIS SUBDIVISION SHALL BE CONSTRUED AS AFFECTING IN ANY WAY THE VALIDITY
26 OR ENFORCEABILITY OF A REAL PROPERTY TAX, OR THE APPLICABILITY OF INTER-
27 EST OR PENALTIES WITH RESPECT THERETO, WHEN AN OWNER'S NAME OR MAILING
28 ADDRESS HAS NOT BEEN ACCURATELY RECORDED.

29 (B) (I) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDI-
30 VISION, WHERE AN ASSESSING UNIT CONTAINS ONE OR MORE PROPERTIES WHICH
31 ARE RECEIVING SUCH EXEMPTION IN RELATION TO A PRIOR YEAR ASSESSMENT ROLL
32 PURSUANT TO PARAGRAPH (D) OF SUBDIVISION SIX OF SECTION FOUR HUNDRED
33 TWENTY-FIVE OF THIS CHAPTER, OR CONTAINS ONE OR MORE PARCELS WITH
34 RESPECT TO WHICH SUCH EXEMPTION WAS DULY ADDED OR REMOVED AFTER THE
35 FILING OF THE FINAL ASSESSMENT ROLL PURSUANT TO THE PROVISIONS OF TITLE
36 THREE OF ARTICLE FIVE OF THIS CHAPTER, THE DEPARTMENT MAY REQUIRE THE
37 ASSESSOR TO FILE WITH IT, ON OR BEFORE JULY THIRTY-FIRST EACH YEAR, OR
38 SUCH LATER DATE AS THE DEPARTMENT MAY SPECIFY, A SUPPLEMENTAL REPORT
39 RELATING TO SUCH PROPERTY OR PROPERTIES, SO THAT INFORMATION PERTAINING
40 TO THE OWNERS THEREOF MAY BE INCLUDED IN THE REPORT TO BE MADE TO THE
41 COMMISSIONER PURSUANT TO THIS PARAGRAPH. WHEN ANY INFORMATION REQUIRED
42 BY THIS PARAGRAPH IS RECEIVED BY THE DEPARTMENT AFTER JULY THIRTY-FIRST
43 EACH YEAR, SUCH INFORMATION SHALL BE TRANSMITTED AS SOON AS REASONABLY
44 PRACTICABLE TO THE COMMISSIONER FOR USE IN ISSUING LOCAL PROPERTY TAX
45 REBATES PURSUANT TO SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.

46 (II) WHERE THE OWNERSHIP OF A PARCEL THAT HAD BEEN ELIGIBLE FOR A
47 REBATE PURSUANT TO THIS SECTION CHANGES OR AN EXEMPTION UNDER SECTION
48 FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER HAS BEEN GRANTED OR REMOVED,
49 THE ASSESSOR SHALL NOTIFY THE DEPARTMENT OF THE CHANGE NO LATER THAN
50 AUGUST FIRST OF THE FOLLOWING YEAR.

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

53 (B) TWO REBATE BASES FOR THE BASIC STAR EXEMPTION SHALL BE DETERMINED
54 FOR EACH SEGMENT FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN
55 AND SUBSEQUENT SCHOOL YEARS. SUCH REBATE BASES SHALL BE COMPUTED BY
56 DETERMINING THE EXEMPT AMOUNT ESTABLISHED FOR THE SEGMENT FOR PURPOSES

1 OF THE BASIC STAR EXEMPTION FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND
2 FOURTEEN AND SUBSEQUENT SCHOOL YEARS, MULTIPLYING THAT AMOUNT BY THE
3 SCHOOL DISTRICT TAX RATE APPLICABLE WITHIN THAT SEGMENT FOR PURPOSES OF
4 THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN AND SUBSEQUENT SCHOOL
5 YEARS, AS REPORTED BY THE SCHOOL DISTRICT. FOR THE TWO THOUSAND THIR-
6 TEEN--TWO THOUSAND FOURTEEN AND SUBSEQUENT SCHOOL YEARS, SUCH REBATE
7 BASES SHALL BE COMPUTED BY MULTIPLYING THE PRODUCT BY SIXTY PERCENT AND
8 FORTY-FIVE PERCENT, RESPECTIVELY. THE RESULTS SHALL BE ASSOCIATED WITH
9 THE FIRST AND SECOND INCOME BRACKETS, RESPECTIVELY, THAT ARE APPLICABLE
10 WITHIN THAT SEGMENT.

11 (B-1) (I) THE FIRST INCOME BRACKET SHALL BE UP TO AND INCLUDING ONE
12 HUNDRED TWENTY THOUSAND DOLLARS; THE SECOND INCOME BRACKET SHALL BE OVER
13 ONE HUNDRED TWENTY THOUSAND DOLLARS UP TO AND INCLUDING ONE HUNDRED
14 FIFTY THOUSAND DOLLARS.

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

17 (C) ONE REBATE BASE FOR THE ENHANCED STAR EXEMPTION SHALL BE DETER-
18 MINED FOR EACH SEGMENT FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOUR-
19 TEEN AND SUBSEQUENT SCHOOL YEARS. SUCH REBATE BASES SHALL BE COMPUTED BY
20 DETERMINING THE EXEMPT AMOUNT ESTABLISHED FOR THE SEGMENT FOR PURPOSES
21 OF THE ENHANCED STAR EXEMPTION FOR THE TWO THOUSAND THIRTEEN--TWO THOU-
22 SAND FOURTEEN SCHOOL YEAR. SUCH REBATE BASES SHALL BE COMPUTED BY
23 MULTIPLYING THAT AMOUNT BY THE SCHOOL DISTRICT TAX RATE APPLICABLE WITH-
24 IN THAT SEGMENT FOR PURPOSES OF THAT SCHOOL YEAR, AS REPORTED BY THE
25 SCHOOL DISTRICT, AND THEN MULTIPLYING THE PRODUCT.

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

28 (E) IN THE CASE OF SCHOOL DISTRICTS WITHIN SPECIAL ASSESSING UNITS AS
29 DEFINED IN SECTION EIGHTEEN HUNDRED ONE OF THIS CHAPTER, THE SCHOOL
30 DISTRICT TAX RATE TO BE USED FOR THIS PURPOSE SHALL BE THE TAX RATE
31 APPLICABLE TO CLASS ONE PROPERTIES AS DEFINED IN ARTICLE EIGHTEEN OF
32 THIS CHAPTER, AS REPORTED BY THE SCHOOL DISTRICT AND THE EXEMPT AMOUNT
33 SHALL BE ESTABLISHED FOR THE SEGMENT. IN THE CASE OF SCHOOL DISTRICTS
34 WITHIN APPROVED ASSESSING UNITS AS DEFINED IN SECTION NINETEEN HUNDRED
35 ONE OF THIS CHAPTER WHICH HAVE ADOPTED THE PROVISIONS OF SECTION NINE-
36 TEEN HUNDRED THREE OF THIS CHAPTER, THE SCHOOL DISTRICT TAX RATE TO BE
37 USED FOR THIS PURPOSE SHALL BE THE TAX RATE APPLICABLE TO THE HOMESTEAD
38 CLASS, AS DEFINED IN ARTICLE NINETEEN OF THIS CHAPTER, AS REPORTED BY
39 THE SCHOOL DISTRICT.

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

47 (G) FOR THE PURPOSES OF THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOUR-
48 TEEN SCHOOL YEAR AND EACH YEAR THEREAFTER, TAX REBATES AUTHORIZED PURSU-
49 ANT TO THIS SECTION SHALL APPLY ONLY TO THOSE OWNERS WHO:

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

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

54 S 2. The real property tax law is amended by adding a new section 1307
55 to read as follows:

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

10 2. DEFINITIONS. AS USED IN THIS SECTION:

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

15 (B) "CAPITAL LOCAL EXPENDITURES" MEANS THE TAXES ASSOCIATED WITH BUDG-
16 ETED EXPENDITURES RESULTING FROM THE CONSTRUCTION, ACQUISITION, RECON-
17 STRUCTION, REHABILITATION OR IMPROVEMENT OF SCHOOL BUILDINGS, INCLUDING
18 DEBT SERVICE AND LEASE EXPENDITURES, SUBJECT TO THE APPROVAL OF THE
19 QUALIFIED VOTERS WHERE REQUIRED BY LAW.

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

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

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

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

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

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

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

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

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

54 (B) THE DEPARTMENT SHALL CALCULATE A QUANTITY CHANGE FACTOR FOR EACH
55 SCHOOL DISTRICT FOR THE COMING SCHOOL YEAR BASED UPON THE PHYSICAL OR
56 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 CARRY-OVER, IF ANY, PROVIDED THAT IN NO EVENT SHALL THE AMOUNT OF ADDED CARRY-OVER 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

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

3 S 3. The tax law is amended by adding a new section 178 to read as
4 follows:

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

12 2. ON OR BEFORE AUGUST FIFTEENTH EACH YEAR, THE DEPARTMENT, OR ON OR
13 BEFORE JULY FIRST EACH YEAR IN THE CASE OF A CITY WITH A POPULATION OF
14 ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, SHALL PROVIDE TO THE
15 COMMISSIONER A REPORT IN A MUTUALLY AGREEABLE FORMAT CONCERNING THOSE
16 PARCELS WHICH SATISFY THE CRITERIA SET FORTH IN SECTION THIRTEEN HUNDRED
17 SIX-B OF THE REAL PROPERTY TAX LAW.

18 3. THE COMMISSIONER IN CONSULTATION WITH, IN THE CASE OF A CITY WITH A
19 POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, IS
20 AUTHORIZED TO DEVELOP PROCEDURES NECESSARY TO PROVIDE FOR THE ISSUANCE
21 OF LOCAL PROPERTY TAX REBATES TO QUALIFYING PROPERTY OWNERS, AND THOSE
22 QUALIFYING PROPERTY OWNERS THAT DID NOT RECEIVE THEM INITIALLY. IF THE
23 COMMISSIONER IS NOT SATISFIED THAT THE PROPERTY OWNER IS QUALIFIED FOR
24 THE LOCAL PROPERTY TAX REBATE, THE COMMISSIONER SHALL NOT ISSUE SUCH
25 REBATE.

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

32 5. BY DEPOSITING A REBATE ISSUED PURSUANT TO THIS SECTION AND AUTHOR-
33 IZED BY SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW, THE
34 PAYEE IS CERTIFYING THAT HE OR SHE IS THE PROPERTY OWNER, AND THAT THE
35 PRIMARY RESIDENCE OF SUCH PROPERTY OWNER IS NOT SUBJECT TO ANY DELIN-
36 QUENT SCHOOL TAXES.

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

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

52 (I) FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR,
53 AFFILIATED INCOME SHALL BE DETERMINED BASED UPON THE PARTIES' INCOMES
54 FOR THE INCOME TAX YEAR ENDING IN TWO THOUSAND TWELVE. IN EACH SUBSE-
55 QUENT YEAR, THE APPLICABLE INCOME TAX YEAR SHALL BE ADVANCED BY ONE
56 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

1 REBATE EQUAL TO THE HIGHEST AMOUNT AVAILABLE FOR THAT SCHOOL DISTRICT
2 SEGMENT.

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

12 10. RECONSIDERATION OF REBATE AMOUNT. IN THE EVENT THE DEPARTMENT IS
13 UNABLE TO DETERMINE THE AFFILIATED INCOME FOR A PARCEL OR THE DEPARTMENT
14 DETERMINES THAT A REBATE SHALL NOT BE ISSUED FOR A PARCEL, THE DEPART-
15 MENT SHALL NOTIFY THE APPLICANT OF THAT FACT. A PROPERTY OWNER MAY SEEK
16 RECONSIDERATION OF THE REBATE AMOUNT DETERMINATION FOR HIS OR HER PARCEL
17 ON THE GROUNDS THAT THE PARCEL'S AFFILIATED INCOME WAS DETERMINED ERRO-
18 NEOUSLY. A PROPERTY OWNER MAY ALSO SEEK RECONSIDERATION IF NO REBATE WAS
19 ISSUED BECAUSE THE PARCEL'S AFFILIATED INCOME WAS UNDETERMINED. AN
20 APPLICATION FOR RECONSIDERATION OF REBATE AMOUNT SHALL BE MADE IN A
21 MANNER PRESCRIBED BY THE DEPARTMENT, AND SHALL BE ACCOMPANIED BY SUCH
22 DOCUMENTATION AS THE DEPARTMENT MAY REQUIRE. SUCH APPLICATION SHALL BE
23 FILED NO LATER THAN MARCH THIRTY-FIRST, TWO THOUSAND FOURTEEN. IF THE
24 DEPARTMENT FINDS AFTER REVIEWING SUCH AN APPLICATION THAT THE REBATE
25 AMOUNT DETERMINATION FOR A PARCEL SHOULD BE CORRECTED, IT SHALL ISSUE AN
26 AMENDED OR INITIAL REBATE CHECK. IF THE DEPARTMENT FINDS AFTER REVIEWING
27 SUCH AN APPLICATION THAT THE REBATE AMOUNT DETERMINATION FOR THE PARCEL
28 WAS CORRECTLY DETERMINED, IT SHALL SO NOTIFY THE APPLICANT. SUCH NOTIFI-
29 CATION SHALL INCLUDE AN EXPLANATION OF THE DEPARTMENT'S FINDINGS, INDICATE
30 THAT THE APPLICANT HAS THE RIGHT TO A PROCEEDING UNDER ARTICLE
31 SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES, AND INDICATE THE
32 STATUTE OF LIMITATIONS ASSOCIATED WITH SUCH PROCEEDINGS. SUCH FINDING
33 SHALL BE SUBJECT TO REVIEW PURSUANT ONLY TO A PROCEEDING UNDER ARTICLE
34 SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES.

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

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

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

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

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

54 13. CONFIDENTIAL INFORMATION; DISCLOSURE PROHIBITION. INFORMATION
55 REGARDING REBATES ISSUED TO INDIVIDUALS SHALL NOT BE SUBJECT TO DISCLO-
56 SURE; INCLUDING NAMES, ADDRESSES, AND DOLLAR AMOUNTS OF REBATES. IN

1 ADDITION, ALL APPLICATIONS SUBMITTED FOR REBATES SHALL NOT BE SUBJECT TO
2 DISCLOSURE.

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

6 15. AFFILIATED INCOME BRACKETS; INDEXING. THE DEPARTMENT SHALL ESTAB-
7 LISH THE AFFILIATED INCOME BRACKETS TO BE ASSOCIATED WITH THE REBATE
8 AMOUNTS FOR THE TWO THOUSAND EIGHTEEN--TWO THOUSAND NINETEEN SCHOOL YEAR
9 AND EACH SCHOOL YEAR THEREAFTER BY APPLYING THE INFLATION FACTOR SET
10 FORTH IN THIS SUBDIVISION TO THE FIGURES THAT DEFINED THE INCOME BRACK-
11 ETS THAT WERE APPLICABLE TO THE TWO THOUSAND SEVENTEEN--TWO THOUSAND
12 EIGHTEEN SCHOOL YEAR, AND ROUNDING EACH RESULT TO THE NEAREST MULTIPLE
13 OF ONE HUNDRED DOLLARS. FOR PURPOSES OF THIS SUBDIVISION, THE
14 "INFLATION FACTOR" FOR EACH INCOME BRACKET SHALL BE DETERMINED BY THE
15 PERCENTAGE INCREASE IN THE CONSUMER PRICE INDEX FOR URBAN WAGE EARNERS
16 AND CLERICAL WORKERS (CPI-W) PUBLISHED BY THE UNITED STATES DEPARTMENT
17 OF LABOR, BUREAU OF LABOR STATISTICS, FOR THE THIRD QUARTER OF THE
18 CALENDAR YEAR PRECEDING THE APPLICABLE SCHOOL YEAR, AS COMPARED TO THE
19 THIRD QUARTER OF THE PRIOR CALENDAR YEAR. IF A BASE FIGURE AS SO DETER-
20 MINED IS NOT EXACTLY EQUAL TO A MULTIPLE OF ONE HUNDRED DOLLARS, IT
21 SHALL BE ROUNDED TO THE NEAREST MULTIPLE OF ONE HUNDRED DOLLARS. IN EACH
22 SUBSEQUENT SCHOOL YEAR, THE PRIOR YEAR'S INCOME BRACKETS SHALL BE
23 INDEXED USING THE ABOVE FORMULA WITH EACH YEAR ADVANCED BY ONE YEAR.

24 S 4. Section 606 of the tax law is amended by adding a new subsection
25 (vv) to read as follows:

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

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

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

38 (C) "HOUSEHOLD GROSS INCOME" MEANS THE AGGREGATE ADJUSTED GROSS INCOME
39 OF ALL MEMBERS OF THE HOUSEHOLD FOR THE TAXABLE YEAR AS REPORTED FOR
40 FEDERAL INCOME TAX PURPOSES, OR WHICH WOULD BE REPORTED AS ADJUSTED
41 GROSS INCOME IF A FEDERAL INCOME TAX RETURN WERE REQUIRED TO BE FILED,
42 WITH THE MODIFICATIONS IN SUBSECTION (B) OF SECTION SIX HUNDRED TWELVE
43 OF THIS ARTICLE BUT WITHOUT THE MODIFICATIONS IN SUBSECTION (C) OF SUCH
44 SECTION, PLUS ANY PORTION OF THE GAIN FROM THE SALE OR EXCHANGE OF PROP-
45 erty OTHERWISE EXCLUDED FROM SUCH AMOUNT; EARNED INCOME FROM SOURCES
46 WITHOUT THE UNITED STATES EXCLUDABLE FROM FEDERAL GROSS INCOME BY
47 SECTION NINE HUNDRED ELEVEN OF THE INTERNAL REVENUE CODE; SUPPORT MONEY
48 NOT INCLUDED IN ADJUSTED GROSS INCOME; NONTAXABLE STRIKE BENEFITS;
49 SUPPLEMENTAL SECURITY INCOME PAYMENTS; THE GROSS AMOUNT OF ANY PENSION
50 OR ANNUITY BENEFITS TO THE EXTENT NOT INCLUDED IN SUCH ADJUSTED GROSS
51 INCOME (INCLUDING, BUT NOT LIMITED TO, RAILROAD RETIREMENT BENEFITS AND
52 ALL PAYMENTS RECEIVED UNDER THE FEDERAL SOCIAL SECURITY ACT AND VETER-
53 ANS' DISABILITY PENSIONS); NONTAXABLE INTEREST RECEIVED FROM THE STATE
54 OF NEW YORK, ITS AGENCIES, INSTRUMENTALITIES, PUBLIC CORPORATIONS, OR
55 POLITICAL SUBDIVISIONS (INCLUDING A PUBLIC CORPORATION CREATED PURSUANT
56 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

1	MORE THAN ONE HUNDRED TWENTY	SEVEN PERCENT OF ONE HUNDRED TWENTY
2	THOUSAND DOLLARS, BUT LESS THAN	THOUSAND DOLLARS PLUS EIGHT
3	OR EQUAL TO ONE HUNDRED SEVENTY-	PERCENT OF HOUSEHOLD GROSS INCOME
4	FIVE THOUSAND DOLLARS	ABOVE ONE HUNDRED TWENTY THOUSAND
5		DOLLARS
6	MORE THAN ONE HUNDRED SEVENTY-	SEVEN PERCENT OF ONE HUNDRED TWENTY
7	FIVE THOUSAND DOLLARS, BUT LESS	THOUSAND DOLLARS PLUS EIGHT
8	THAN OR EQUAL TO TWO HUNDRED FIFTY	PERCENT OF FIFTY-FIVE THOUSAND
9	THOUSAND DOLLARS	DOLLARS PLUS NINE PERCENT OF
10		HOUSEHOLD GROSS INCOME ABOVE
11		ONE HUNDRED SEVENTY-FIVE
12		THOUSAND DOLLARS
13	MORE THAN TWO HUNDRED FIFTY	NO LIMITATION.
14	THOUSAND DOLLARS	

15 S 5. Subsection (e) of section 1310 of the tax law, as added by
16 section 135 of part A of chapter 389 of the laws of 1997, is amended by
17 adding a new paragraph 3 to read as follows:

18 (3) NOTWITHSTANDING THE SCHEDULE OF CREDIT IN SUBPARAGRAPHS (A) AND
19 (B) OF PARAGRAPH TWO OF THIS SUBSECTION, STARTING IN TWO THOUSAND THIR-
20 TEEN TAXPAYERS WHO:

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

24 (B) WHERE THE HOUSEHOLD GROSS INCOME IS LESS THAN ONE HUNDRED FIFTY
25 THOUSAND DOLLARS SHALL INSTEAD BE ENTITLED TO A CREDIT OF THREE HUNDRED
26 THIRTY-FIVE DOLLARS FOR MARRIED INDIVIDUALS FILING JOINT RETURNS AND
27 SURVIVING SPOUSES AND ONE HUNDRED SIXTY-SEVEN DOLLARS AND FIFTY CENTS
28 FOR ALL OTHERS, INCLUDING AN UNMARRIED INDIVIDUAL, A HEAD OF HOUSEHOLD
29 OR A MARRIED INDIVIDUAL FILING A SEPARATE RETURN. THE REBATE AMOUNTS AND
30 INCOME LIMITATIONS SHALL BE ADJUSTED ANNUALLY BY APPLYING THE INFLATION
31 FACTOR SET FORTH IN PARAGRAPH TWO OF THIS SUBSECTION.

32 S 6. Subdivision (c) of section 11-1706 of the administrative code of
33 the city of New York, as added by section 137 of part A of chapter 389
34 of the laws of 1997, is amended by adding a new paragraph 3 to read as
35 follows:

36 (3) NOTWITHSTANDING THE SCHEDULE OF CREDIT IN SUBPARAGRAPHS (A) AND
37 (B) OF PARAGRAPH TWO OF THIS SUBDIVISION, STARTING IN TWO THOUSAND THIR-
38 TEEN TAXPAYERS WHO:

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

42 (B) WHERE THE HOUSEHOLD GROSS INCOME IS LESS THAN ONE HUNDRED FIFTY
43 THOUSAND DOLLARS SHALL INSTEAD BE ENTITLED TO A CREDIT OF THREE HUNDRED
44 THIRTY-FIVE DOLLARS FOR MARRIED INDIVIDUALS FILING JOINT RETURNS AND
45 SURVIVING SPOUSES AND ONE HUNDRED SIXTY-SEVEN DOLLARS AND FIFTY CENTS
46 FOR ALL OTHERS, INCLUDING AN UNMARRIED INDIVIDUAL, A HEAD OF HOUSEHOLD
47 OR A MARRIED INDIVIDUAL FILING A SEPARATE RETURN. THE REBATE AMOUNTS AND
48 INCOME LIMITATIONS SHALL BE ADJUSTED ANNUALLY BY APPLYING THE INFLATION
49 FACTOR SET FORTH IN PARAGRAPH TWO OF THIS SUBDIVISION.

50 S 7. Section 1608 of the education law, as amended by section 5 of
51 part A of chapter 436 of the laws of 1997, subdivisions 2 and 4 as
52 amended by chapter 640 of the laws of 2008, subdivision 7 as amended by
53 section 4 of part H of chapter 83 of the laws of 2002 and paragraph a of

1 subdivision 7 as amended by section 4 of part A of chapter 97 of the
2 laws of 2011, is amended to read as follows:

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

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

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

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

1 istrators, superintendents of schools and deputy, assistant, associate
2 or other superintendents under all existing employment contracts or
3 collective bargaining agreements, any and all expenditures associated
4 with the operation of the office of trustee or board of trustees, the
5 office of the superintendent of schools, general administration, the
6 school business office, consulting costs not directly related to direct
7 student services and programs, planning and all other administrative
8 activities. The program component shall include, but need not be limited
9 to, all program expenditures of the school district, including the sala-
10 ries and benefits of teachers and any school administrators or supervi-
11 sors who spend a majority of their time performing teaching duties, and
12 all transportation operating expenses. The capital component shall
13 include, but need not be limited to, all transportation capital, debt
14 service, and lease expenditures; costs resulting from judgments in tax
15 certiorari proceedings or the payment of awards from court judgments,
16 administrative orders or settled or compromised claims; and all facili-
17 ties costs of the school district, including facilities lease expendi-
18 tures, the annual debt service and total debt for all facilities
19 financed by bonds and notes of the school district, and the costs of
20 construction, acquisition, reconstruction, rehabilitation or improvement
21 of school buildings, provided that such budget shall include a rental,
22 operations and maintenance section that includes base rent costs, total
23 rent costs, operation and maintenance charges, cost per square foot for
24 each facility leased by the school district, and any and all expendi-
25 tures associated with custodial salaries and benefits, service
26 contracts, supplies, utilities, and maintenance and repairs of school
27 facilities. [For the purposes of the development of a budget for the
28 nineteen hundred ninety-eight--ninety-nine school year, the trustee or
29 board of trustees shall separate the district's program, capital and
30 administrative costs for the nineteen hundred ninety-seven--ninety-eight
31 school year in the manner as if the budget for such year had been
32 presented in three components.]

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

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

1 the annual meeting, and otherwise disseminating it as required by the
2 commissioner. Such report card shall include measures of the academic
3 performance of the school district, on a school by school basis, and
4 measures of the fiscal performance of the district, as prescribed by the
5 commissioner. Pursuant to regulations of the commissioner, the report
6 card shall also compare these measures to statewide averages for all
7 public schools, and statewide averages for public schools of comparable
8 wealth and need, developed by the commissioner. Such report card shall
9 include, at a minimum, any information on the school district regarding
10 pupil performance and expenditure per pupil required to be included in
11 the annual report by the regents to the governor and the legislature
12 pursuant to section two hundred fifteen-a of this chapter; and any other
13 information required by the commissioner. School districts (i) identi-
14 fied as having fifteen percent or more of their students in special
15 education, or (ii) which have fifty percent or more of their students
16 with disabilities in special education programs or services sixty
17 percent or more of the school day in a general education building, or
18 (iii) which have eight percent or more of their students with disabili-
19 ties in special education programs in public or private separate educa-
20 tional settings shall indicate on their school district report card
21 their respective percentages as defined in this [subparagraph] PARAGRAPH
22 and [subparagraphs] PARAGRAPHS (i) and (ii) of this [paragraph] SUBDIVI-
23 SION as compared to the statewide average.

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

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

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

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

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

29 a. Each year, commencing with the proposed budget for the two thou-
30 sand--two thousand one school year, the trustee or board of trustees
31 shall prepare a property tax report card, pursuant to regulations of the
32 commissioner, and shall make it publicly available by transmitting it to
33 local newspapers of general circulation, appending it to copies of the
34 proposed budget made publicly available as required by law, making it
35 available for distribution at the annual [meeting] BUDGET HEARING, and
36 otherwise disseminating it as required by the commissioner. Such report
37 card shall include: (i) the amount of total spending and total estimated
38 school tax levy that would result from adoption of the proposed budget
39 and the percentage increase or decrease in total spending and total
40 school tax levy from the school district budget for the preceding school
41 year; and (ii) THE DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETER-
42 MINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY
43 TAX LAW, THE TAX LEVY PROPOSED BY THE DISTRICT, AND THE PROPOSED CAPITAL
44 TAX LEVY, IF ANY; AND (III) the projected enrollment growth for the
45 school year for which the budget is prepared, and the percentage change
46 in enrollment from the previous year; and [(iii)] (IV) the percentage
47 increase in the consumer price index, as defined in paragraph c of this
48 subdivision; and [(iv)] (V) the projected amount of the unappropriated
49 unreserved fund balance that will be retained if the proposed budget is
50 adopted, the projected amount of the reserved fund balance, the project-
51 ed amount of the appropriated fund balance, the percentage of the
52 proposed budget that the unappropriated unreserved fund balance repres-
53 ents, the actual unappropriated unreserved fund balance retained in the
54 school district budget for the preceding school year, and the percentage
55 of the school district budget for the preceding school year that the
56 actual unappropriated unreserved fund balance represents.

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

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

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

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

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

1 local school district officials. The administrative component shall
2 include, but need not be limited to, office and central administrative
3 expenses, traveling expenses and all compensation, salaries and benefits
4 of all school administrators and supervisors, including business admin-
5 istrators, superintendents of schools and deputy, assistant, associate
6 or other superintendents under all existing employment contracts or
7 collective bargaining agreements, any and all expenditures associated
8 with the operation of the board of education, the office of the super-
9 intendent of schools, general administration, the school business
10 office, consulting costs not directly related to direct student services
11 and programs, planning and all other administrative activities. The
12 program component shall include, but need not be limited to, all program
13 expenditures of the school district, including the salaries and benefits
14 of teachers and any school administrators or supervisors who spend a
15 majority of their time performing teaching duties, and all transporta-
16 tion operating expenses. The capital component shall include, but need
17 not be limited to, all transportation capital, debt service, and lease
18 expenditures; costs resulting from judgments in tax certiorari
19 proceedings or the payment of awards from court judgments, administra-
20 tive orders or settled or compromised claims; and all facilities costs
21 of the school district, including facilities lease expenditures, the
22 annual debt service and total debt for all facilities financed by bonds
23 and notes of the school district, and the costs of construction, acqui-
24 sition, reconstruction, rehabilitation or improvement of school build-
25 ings, provided that such budget shall include a rental, operations and
26 maintenance section that includes base rent costs, total rent costs,
27 operation and maintenance charges, cost per square foot for each facili-
28 ty leased by the school district, and any and all expenditures associ-
29 ated with custodial salaries and benefits, service contracts, supplies,
30 utilities, and maintenance and repairs of school facilities. [For the
31 purposes of the development of a budget for the nineteen hundred nine-
32 ty-eight--ninety-nine school year, the board of education shall separate
33 the district's program, capital and administrative costs for the nine-
34 teen hundred ninety-seven--ninety-eight school year in the manner as if
35 the budget for such year had been presented in three components.]

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

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

1 it publicly available by transmitting it to local newspapers of general
2 circulation, appending it to copies of the proposed budget made publicly
3 available as required by law, making it available for distribution at
4 the annual meeting, and otherwise disseminating it as required by the
5 commissioner. Such report card shall include measures of the academic
6 performance of the school district, on a school by school basis, and
7 measures of the fiscal performance of the district, as prescribed by the
8 commissioner. Pursuant to regulations of the commissioner, the report
9 card shall also compare these measures to statewide averages for all
10 public schools, and statewide averages for public schools of comparable
11 wealth and need, developed by the commissioner. Such report card shall
12 include, at a minimum, any information of the school district regarding
13 pupil performance and expenditure per pupil required to be included in
14 the annual report by the regents to the governor and the legislature
15 pursuant to section two hundred fifteen-a of this chapter; and any other
16 information required by the commissioner. School districts (i) identi-
17 fied as having fifteen percent or more of their students in special
18 education, or (ii) which have fifty percent or more of their students
19 with disabilities in special education programs or services sixty
20 percent or more of the school day in a general education building, or
21 (iii) which have eight percent or more of their students with disabili-
22 ties in special education programs in public or private separate educa-
23 tional settings shall indicate on their school district report card
24 their respective percentages as defined in this paragraph and paragraphs
25 (i) and (ii) of this subdivision as compared to the statewide average.

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

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

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

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

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

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

1 district budget for the preceding school year that the actual unappro-
2 priated unreserved fund balance represents.

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

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

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

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

44 2. [Except as provided in subdivision four of this section, nothing]
45 NOTHING in this section shall preclude the trustees or board of educa-
46 tion, in their discretion, from submitting additional items of expendi-
47 ture to the voters for approval as separate propositions or the voters
48 from submitting propositions pursuant to sections two thousand eight and
49 two thousand thirty-five of this part; provided however that such propo-
50 sitions shall be subject to the requirements set forth in subdivision
51 nine of section two thousand twenty-three-a of this part.

52 2-a. Every common, union free, central, central high school district
53 and city school district to which this article applies shall mail a
54 school budget notice to all qualified voters of the school district
55 after the date of the budget hearing, but no later than six days prior
56 to the annual meeting and election [or special district meeting at which

1 a school budget vote will occur]. The school budget notice shall compare
2 the percentage increase or decrease in total spending under the proposed
3 budget over total spending under the school district budget adopted for
4 the current school year, with the percentage increase or decrease in the
5 consumer price index, from January first of the prior school year to
6 January first of the current school year, and shall also include the
7 [information required by paragraphs a and b of this subdivision. The
8 notice shall also set forth the date, time and place of the school budg-
9 et vote, in the same manner as in the notice of annual meeting, and
10 shall also include the district's tax levy limit pursuant to section two
11 thousand twenty-three-a of this part, and the estimated school tax levy,
12 excluding any levy necessary to support the expenditures pursuant to
13 subparagraphs (i) through (iv) of paragraph i of subdivision two of
14 section two thousand twenty-three-a of this part, that would result from
15 adoption of the proposed budget] DISTRICT'S TAX LEVY LIMIT AND TAX LEVY
16 BASE DETERMINED PURSUANT TO SECTION THIRTEEN HUNDRED SEVEN OF THE REAL
17 PROPERTY TAX LAW, AND THE TAX LEVY PROPOSED BY THE DISTRICT, AND THE
18 PROPOSED CAPITAL TAX LEVY, IF ANY. Such notice shall be in a form
19 prescribed by the commissioner.

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

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

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

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

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

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

12 6. Notwithstanding the provisions of subdivision four of section eigh-
13 teen hundred four and subdivision five of section nineteen hundred six
14 of this title, subdivision one of section two thousand two of this arti-
15 cle, subdivision one of this section, subdivision two of section twen-
16 ty-six hundred one-a of this title and any other provision of law to the
17 contrary, the annual district meeting and election of every common,
18 union free, central and central high school district and the annual
19 meeting of every city school district in a city having a population of
20 less than one hundred twenty-five thousand inhabitants that is scheduled
21 to be held on the third Tuesday of May, two thousand three is hereby
22 adjourned until the first Tuesday in June, two thousand three. The trus-
23 tees or board of education of each such school district shall provide
24 notice of such adjourned meeting to the qualified voters in the manner
25 prescribed for notice of the annual meeting, and such notice shall
26 provide for an adjourned budget hearing. The adjourned district meeting
27 or district meeting and election shall be deemed the annual meeting or
28 annual meeting and election of the district for all purposes under this
29 title and the date of the adjourned meeting shall be deemed the state-
30 wide uniform voting day for all purposes under this title. Notwith-
31 standing the provisions of subdivision seven of section sixteen hundred
32 eight or subdivision seven of section seventeen hundred sixteen of this
33 title or any other provision of law, rule or regulation to the contrary,
34 in two thousand three the property tax report card shall be submitted to
35 the department no later than twenty days prior to the date of the
36 adjourned meeting and the department shall make its compilation avail-
37 able electronically at least seven days prior to such date.]

38 S 10-a. Section 2022 of the education law, as amended by section 23 of
39 part A of chapter 436 of the laws of 1997, subdivisions 1 and 3 as
40 amended by section 8 of part C of chapter 58 of the laws of 1998, subdivi-
41 sion 2-a as amended by section 3 of part A of chapter 60 of the laws
42 of 2000, paragraph b of subdivision 2-a as amended by section 5 of part
43 W of chapter 57 of the laws of 2008, subdivision 4 as amended by section
44 7 of part M of chapter 57 of the laws of 2005 and subdivision 6 as added
45 by chapter 61 of the laws of 2003, is amended to read as follows:

46 S 2022. [Vote on] ADOPTION OF school district budgets [and on the];
47 ANNUAL DISTRICT MEETING AND election of school district trustees and
48 board of education members. 1. Notwithstanding any law, rule or regu-
49 lation to the contrary, the ANNUAL DISTRICT MEETING AND election of
50 trustees or members of the board of education, and the TAX LEVY PROPOSI-
51 TION vote [upon the appropriation of the necessary funds to meet the
52 estimated expenditures,] in any common school district, union free
53 school district, central school district or central high school district
54 shall be held [at the annual meeting and election] on the third Tuesday
55 in May, provided, however, that such election shall be held on the
56 second Tuesday in May if the commissioner at the request of a local

1 school board certifies no later than March first that such election
2 would conflict with religious observances. [When such election or vote
3 is taken by recording the ayes and noes of the qualified voters attend-
4 ing, a majority of the qualified voters present and voting, by a hand or
5 voice vote, may determine to take up the question of voting the neces-
6 sary funds to meet the estimated expenditures for a specific item sepa-
7 rately, and the qualified voters present and voting may increase the
8 amount of any estimated expenditures or reduce the same, except for
9 teachers' salaries, and the ordinary contingent expenses of the
10 schools.] The sole trustee, board of trustees or board of education of
11 every common, union free, central or central high school district and
12 every city school district to which this article applies shall hold a
13 budget hearing not less than seven nor more than fourteen days prior to
14 the annual meeting and election [or special district meeting at which a
15 school budget vote will occur], and shall prepare and present to the
16 voters at such budget hearing a proposed school district budget for the
17 ensuing school year. IF THE QUALIFIED VOTERS HAVE APPROVED A TAX LEVY
18 PROPOSITION OR UNDERRIDE PROPOSITION IN ACCORDANCE WITH SECTION TWO
19 THOUSAND TWENTY-THREE-B OF THIS PART, SUCH TRUSTEES OR BOARD OF EDUCA-
20 TION SHALL ADOPT A BUDGET THAT COMPLIES WITH SUCH PROPOSITION. IF NO
21 TAX LEVY PROPOSITION OR UNDERRIDE PROPOSITION HAS BEEN APPROVED BY THE
22 QUALIFIED VOTERS, THEN THE TRUSTEES OR BOARD OF EDUCATION SHALL ADOPT A
23 BUDGET THAT REQUIRES A TAX LEVY, EXCLUDING ANY CAPITAL TAX LEVY, THAT IS
24 NO GREATER THAN THE TAX LEVY BASE DETERMINED PURSUANT TO SECTION THIR-
25 TEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW.

26 2. [Except as provided in subdivision four of this section, nothing]
27 NOTHING in this section shall preclude the trustees or board of educa-
28 tion, in their discretion, from submitting additional items of expendi-
29 ture to the voters for approval as separate propositions or the voters
30 from submitting propositions pursuant to [section] SECTIONS two thousand
31 eight and two thousand thirty-five of this [article] PART.

32 2-a. Every common, union free, central, central high school district
33 and city school district to which this article applies shall mail a
34 school budget notice to all qualified voters of the school district
35 after the date of the budget hearing, but no later than six days prior
36 to the annual meeting and election [or special district meeting at which
37 a school budget vote will occur]. The school budget notice shall compare
38 the percentage increase or decrease in total spending under the proposed
39 budget over total spending under the school district budget adopted for
40 the current school year, with the percentage increase or decrease in the
41 consumer price index, from January first of the prior school year to
42 January first of the current school year, and shall also include the
43 [information required by paragraphs a and b of this subdivision. The
44 notice shall also set forth the date, time and place of the school budg-
45 et vote, in the same manner as in the notice of annual meeting]
46 DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETERMINED PURSUANT TO
47 SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY TAX LAW, AND THE TAX
48 LEVY PROPOSED BY THE DISTRICT, AND THE PROPOSED CAPITAL TAX LEVY, IF
49 ANY. Such notice shall be in a form prescribed by the commissioner.

50 [a. Commencing with the proposed budget for the two thousand one--two
51 thousand two school year, such notice shall also include a description
52 of how total spending and the tax levy resulting from the proposed budg-
53 et would compare with a projected contingency budget adopted pursuant to
54 section two thousand twenty-three of this article, assuming that such
55 contingency budget is adopted on the same day as the vote on the
56 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

1 title and the date of the adjourned meeting shall be deemed the state-
2 wide uniform voting day for all purposes under this title. Notwith-
3 standing the provisions of subdivision seven of section sixteen hundred
4 eight or subdivision seven of section seventeen hundred sixteen of this
5 title or any other provision of law, rule or regulation to the contrary,
6 in two thousand three the property tax report card shall be submitted to
7 the department no later than twenty days prior to the date of the
8 adjourned meeting and the department shall make its compilation avail-
9 able electronically at least seven days prior to such date.]

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4 S 12. This act shall take effect immediately; provided, however, that:
5 (a) the amendments to paragraph a of subdivision 7 of section 1608 of
6 the education law, made by section seven of this act, shall not affect
7 the expiration of such paragraph and shall expire therewith, when upon
8 such date the provisions of section seven-a of this act shall take
9 effect;

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

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