

S. 4901

A. 7061

2015-2016 Regular Sessions

S E N A T E - A S S E M B L Y

April 23, 2015

IN SENATE -- Introduced by Sens. LAVALLE, GOLDEN, LARKIN, RITCHIE, SEWARD -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

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

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

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

1 Section 1. The real property tax law is amended by adding a new
2 section 1306-b to read as follows:
3 S 1306-B. "MIDDLE CLASS STAR" REBATE PROGRAM. 1. TAX REBATES. (A) FOR
4 THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN SCHOOL YEAR AND EACH YEAR
5 THEREAFTER IF A PARCEL IS ENTITLED TO THE ENHANCED STAR EXEMPTION
6 AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER, A LOCAL
7 PROPERTY TAX REBATE SHALL BE PROVIDED TO THE OWNER OR OWNERS OF SUCH
8 PARCEL AS SHOWN ON THE FINAL ASSESSMENT ROLL FOR SUCH YEAR, IN AN AMOUNT
9 COMPUTED AS PRESCRIBED BY THIS SECTION AND SECTION ONE HUNDRED SEVENTY-
10 EIGHT OF THE TAX LAW.
11 (B) FOR THE TWO THOUSAND SIXTEEN--TWO THOUSAND SEVENTEEN SCHOOL YEAR
12 AND EACH YEAR THEREAFTER IF A PARCEL IS ENTITLED TO THE BASIC STAR
13 EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAP-
14 TER, A LOCAL PROPERTY TAX REBATE SHALL BE PROVIDED TO THE OWNER OR
15 OWNERS OF SUCH PARCEL AS SHOWN ON THE FINAL ASSESSMENT ROLL FOR SUCH
16 YEAR, IN AN AMOUNT COMPUTED AS PRESCRIBED BY THIS SECTION AND SECTION
17 ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.
18 (C) IT SHALL BE THE RESPONSIBILITY OF THE STATE DEPARTMENT OF TAXATION
19 AND FINANCE TO ISSUE SUCH TAX REBATES TO SUCH OWNERS IN THE MANNER
20 PROVIDED BY SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW. NOTHING

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

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1 CONTAINED HEREIN SHALL BE CONSTRUED AS PERMITTING PARTIAL OR INSTALLMENT
2 PAYMENTS OF TAXES IN A JURISDICTION WHICH HAS NOT AUTHORIZED THE SAME
3 PURSUANT TO LAW.

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

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

1 REASONABLY PRACTICABLE FOR USE IN ISSUING LOCAL PROPERTY TAX REBATES
2 PURSUANT TO SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.

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

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

15 (I) FOR PURPOSES OF THE TWO THOUSAND SIXTEEN--TWO THOUSAND SEVENTEEN
16 SCHOOL YEAR AND THE TWO THOUSAND SEVENTEEN--TWO THOUSAND EIGHTEEN SCHOOL
17 YEAR, BY SIXTY PERCENT FOR THE FIRST INCOME BRACKET, FORTY-FIVE PERCENT
18 FOR THE SECOND INCOME BRACKET AND THIRTY PERCENT FOR THE THIRD INCOME
19 BRACKET.

20 (II) FOR PURPOSES OF THE TWO THOUSAND EIGHTEEN--TWO THOUSAND NINETEEN
21 SCHOOL YEAR, BY SEVENTY PERCENT FOR THE FIRST INCOME BRACKET, FIFTY-TWO
22 AND ONE-HALF PERCENT FOR THE SECOND INCOME BRACKET, AND THIRTY-FIVE
23 PERCENT FOR THE THIRD INCOME BRACKET.

24 (III) FOR PURPOSES OF THE TWO THOUSAND NINETEEN--TWO THOUSAND TWENTY
25 AND SUBSEQUENT SCHOOL YEARS, BY EIGHTY PERCENT FOR THE FIRST INCOME
26 BRACKET, SIXTY PERCENT FOR THE SECOND INCOME BRACKET, AND FORTY PERCENT
27 FOR THE THIRD INCOME BRACKET.

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

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

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

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

54 (I) FOR PURPOSES OF THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN
55 SCHOOL YEAR, BY TWENTY-FIVE PERCENT.

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

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

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

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

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

S 178. "MIDDLE CLASS STAR" REBATE PROGRAM. 1. THE COMMISSIONER SHALL ISSUE THE LOCAL PROPERTY TAX REBATES AUTHORIZED BY SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW. FOR PURPOSES OF THIS SECTION THE REBATE SHALL BE CALCULATED USING THE COMPUTATION FORMULA SET FORTH IN SUBDIVISION THREE OF SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW. PROVIDED, HOWEVER, SUCH REBATES SHALL NOT BE ISSUED IN ANY YEAR IN WHICH AN APPROPRIATION TO PAY SUCH REBATES HAS NOT BEEN INCLUDED IN THE ENACTED STATE BUDGET FOR SUCH YEAR.

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

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

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

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

PURPOSES OF THE "MIDDLE CLASS STAR" REBATE PROGRAM AS AUTHORIZED BY SUBDIVISION THREE OF SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW SHALL BE MADE AS PROVIDED BY THIS SECTION.

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

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

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

6. 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 SIXTEEN--TWO THOUSAND SEVENTEEN 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.

7. 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 SIXTEEN. 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 THIRTEEN 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 FOURTEEN 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 SIXTEEN, 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

1 NOT NECESSITATE THE FILING OF A NEW APPLICATION FOR A BASIC STAR
2 EXEMPTION. IN EITHER INSTANCE, AN APPLICATION SHALL BE SUBMITTED TO THE
3 DEPARTMENT ON A TIMELY BASIS.

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

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

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

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

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

51 10. SPECIAL PROVISIONS RELATING TO CO-OPERATIVE APARTMENT UNITS AND
52 MOBILE HOMES. THE DEPARTMENT'S DETERMINATION OF AFFILIATED INCOME SHALL
53 BE MADE WITH RESPECT TO THE TENANT-SHAREHOLDERS OR OWNERS OF THE UNIT IN
54 QUESTION RATHER THAN OF THE PARCEL.
55

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

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

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

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

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

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

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

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

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

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

(3) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN

1 ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS
2 ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

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

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

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

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

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

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

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

50 S 4. This act shall take effect immediately.