STATE OF NEW YORK

2969--A

2021-2022 Regular Sessions

IN SENATE

January 26, 2021

Introduced by Sens. HARCKHAM, HINCHEY -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- recommitted to the Committee on Budget and Revenue in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to enacting the "STAR credit bill of rights" and establishing the office of STAR ombudsman

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. This act shall be known and may be cited as the "STAR credit bill of rights".

§ 2. Subclauses (I), (II) and (III) of clause (i) of subparagraph (B) of paragraph 10 of subsection (eee) of section 606 of the tax law, as amended by section 2 of part TT of chapter 59 of the laws of 2017, are amended to read as follows:

(I) If the school district tax roll is filed with the commissioner on or before July first, the determination of eligibility shall be made by July fifteenth, or as soon thereafter as is practicable, and the advance payment shall be issued by July thirtieth, or as soon thereafter as is practicable. For each residential taxpayer in such school district that the commissioner determines to be ineligible for a reason other than failing to meet the income and residency requirements for such credit, the commissioner shall notify, in writing, such taxpayer of his or her ineligibility. Such notice mailed to residential taxpayers who are ineligible for the credit allowed pursuant to this subsection because the primary residence of such a taxpayer received a STAR exemption for the associated fiscal year as set forth in clause (i) of subparagraph (A) of paragraph one of this subsection shall include information on how to switch to the credit program. Such notice shall be mailed to the residential taxpayer and postmarked no later than three days before the date set forth in this subclause. Such notice along with an appeal form

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

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and a list of all supporting documentation that may be required for such appeal shall be mailed to a residential taxpayer found ineligible for any other reason and postmarked no later than three days before the date set forth in this subclause.

(II) If the school district tax roll is filed with the commissioner after July first and on or before September first, the determination of eligibility shall be made by September fifteenth, or as soon thereafter as is practicable, and the advance payment shall be issued by September thirtieth, or as soon thereafter as is practicable. For each residential taxpayer in such school district that the commissioner determines to be ineligible for a reason other than failing to meet the income and residency requirements for such credit, the commissioner shall notify, in writing, such taxpayer of his or her ineligibility. Such notice mailed to residential taxpayers who are ineligible for the credit allowed pursuant to this subsection because the primary residence of such a taxpayer received a STAR exemption for the associated fiscal year as set forth in clause (i) of subparagraph (A) of paragraph one of this subsection shall include information on how to switch to the credit program. Such notice shall be mailed to the residential taxpayer and postmarked no later than three days before the date set forth in this subclause. Such notice along with an appeal form and a list of all supporting documentation that may be required for such appeal shall be mailed to a residential taxpayer found ineligible for any other reason and postmarked no later than three days before the date set forth in this subclause.

(III) If the school district tax roll is filed with the commissioner after September first, the determination of eligibility shall be made by the fifteenth day after such filing, or as soon thereafter as is practicable, and the advance payment shall be issued by the thirtieth day after such filing, or as soon thereafter as is practicable. For each residential taxpayer in such school district that the commissioner determines to be ineligible for a reason other than failing to meet the income and residency requirements for such credit, the commissioner shall notify, in writing, such taxpayer of his or her ineligibility. Such notice mailed to residential taxpayers who are ineligible for the credit allowed pursuant to this subsection because the primary residence of such a taxpayer received a STAR exemption for the associated fiscal year as set forth in clause (i) of subparagraph (A) of paragraph one of this subsection shall include information on how to switch to the credit program. Such notice shall be mailed to the residential taxpayer and postmarked no later than three days before the date set forth in this subclause. Such notice along with an appeal form and a list of all supporting documentation that may be required for such appeal shall be mailed to a residential taxpayer found ineligible for any other reason and postmarked no later than three days before the date set forth in this subclause.

§ 3. Subparagraph (B) of paragraph 10 of subsection (eee) of section 606 of the tax law is amended by adding a new clause (iii) to read as follows:

(iii) Any residential taxpayer who receives a notice of ineligibility pursuant to subclause (I), (II) or (III) of clause (i) of this subparagraph may appeal the determination made by the commissioner that he or she is ineligible to receive such credit. Such appeal shall be in writing, mailed to the commissioner and postmarked no later than thirty days after such taxpayer receives such notice of ineligibility. Such appeal shall be made in a form to be determined by the commissioner, and may include any supporting documentation the residential taxpayer deems appropriate. Upon receipt of an appeal, the commissioner shall have fifteen days to make a final determination regarding the residential taxpayer's eligibility. Such taxpayer shall be notified of the final determination by the commissioner within three days after such final determination is made. For those residential taxpayers whom the commissioner has determined to be eligible for such credit pursuant to such appeal, the commissioner shall advance a payment in the amount specified in paragraph three, four or six of this subsection, whichever is applicable. Such payment after appeal shall be subject to interest at the rate prescribed by subparagraph (A) of paragraph two of subsection (j) of section six hundred ninety-seven of this article.

§ 4. Subsection (eee) of section 606 of the tax law is amended by adding a new paragraph 14 to read as follows:

(14) (A) There is hereby established in the department the office of STAR ombudsman. The commissioner shall appoint the director of the office of STAR ombudsman. The director shall report to the commissioner. Persons employed by the office of the ombudsman to act as "ombudsmen" shall be attorneys or shall have expertise in the areas of tax and real estate tax, as evidenced by experience in the field, or by academic background, the level and sufficiency of which shall be determined by the director.

(B) The office of STAR ombudsman shall have the following duties:

(i) to confirm to taxpayers, receipt of taxpayer inquiries or other communications regarding the credit allowed pursuant to this subsection within twenty-four hours of when such inquiry or communication was received by the department;

(ii) to respond to taxpayer inquiries made regarding delays in the processing of advance payments or determinations of eligibility pursuant to this subsection;

(iii) to confirm to taxpayers that a department employee is working on his or her inquiry or case regarding the credit allowed pursuant to this subsection; and

(iv) to establish a tracking system and utilize case numbers for taxpayer inquiries and cases regarding the credit allowed pursuant to this subsection. Such tracking system shall be made available to the public via the department's website.

§ 5. This act shall take effect July 1, 2022. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such date.