lation caps STAR savings increases at 2% of the prior year's savings.

How will I know how much STAR is saving me in tax dollars?

As part of the STAR program, you will receive a school property tax bill or other notice that will clearly state the amount of the STAR tax savings.

Does STAR apply to all taxes on my property?

No. The STAR exemption applies only to school district taxes. It does not apply to property taxes for other purposes, such as county, town or city (except in Buffalo, New York City, Rochester, Syracuse and Yonkers, where schools are funded through city property taxes).

Is STAR available on my vacation residence?

STAR will reduce school property taxes on your primary residence only. There is no one single factor that determines whether a property is your primary residence, but factors such as voting, vehicle registrations, and length of time spent each year on the property may be relevant. Your local assessor may ask you to provide proof of residency with the application. In addition, the assessor may occasionally request proof of residence after the exemption has been granted, to verify that the property remains your primary residence.

How does STAR work for cooperative apartments and manufactured homes in manufactured home parks?

If you live in either of these types of properties, file a STAR application with their local assessor. Assessors must provide a breakdown of the exemptions to the cooperative manager or park owner so that proper amounts may be credited to the STAR recipients.

What if I buy a new home?

Your STAR tax exemption is not transferred automatically. You need to apply for the exemption on your new primary residence by the deadline.

What if part of my property is used for other than residential purposes?

In the case of a mixed-use property where the property is used partially as the owner's primary residence and partially for some other use, the portion of the property used as a residence would be eligible for STAR. It is the responsibility of your local assessor(s) to make this determination.

I currently receive the low-income senior citizen exemption. Can I receive the STAR benefits and still keep my other exemption?

Yes. To ensure the maximum STAR benefit, the program requires that, before applying STAR, assessors first apply all other applicable exemptions to the property's assessed value. In addition, **low-income senior citizens** who receive the **Senior Citizens Exemption** automatically qualify for Enhanced STAR. As a result, they need only to file and qualify for the Senior Citizen Exemption, and they will receive both that exemption and Enhanced STAR. The Senior Citizen Exemption pamphlet and application are available at: **www.cityofrochester.gov/Assessment** (click on "Residential Exemptions") or call **(585)428-6994**.

How is STAR administered where property is in a trust?

The ownership of property is split when it is placed in trust: the trustee is the legal owner; the beneficiary is the beneficial owner. However, for STAR purposes, the trust beneficiary is treated as the owner. Thus, if senior citizens create a trust and convey their home to their children as trustees, and the seniors remain in the home as the beneficiaries of the trust, then, for STAR purposes, the owners of the home are the seniors, not their children. Therefore, the seniors would be able to get the STAR benefits.

How is STAR administered where property is in a life estate?

The life tenant is deemed to own the property; so STAR eligibility is based on the life tenant's qualifications. A life estate generally is created by a deed. Often ownership is transferred to another party with life estate use reserved for the prior owner(s) or another party. In other cases, a life estate is expressly granted by one party to another. In either case, in the eyes of the law, as long as the holder of the life estate is alive, he or she "owns" the property.

STATE OF NEW YORK

Department of Taxation and Finance Office of Real Property Tax Services

W.A. Harriman Campus Albany, New York
12227 (518) 457-2036 www.tax.ny.gov

STAR

New York State's School Tax Relief Program

(updated for the 2016-2017 school year)

BASIC STAR & ENHANCED STAR

(for Seniors)

Revised by the City of Rochester July 2015

New York State Department of Taxation and Finance
Office of Real Property Tax Services

Publication 1092 (11/11)

GO TO THE NEXT PAGE TO START

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What is STAR?

The New York State School Tax Relief Program (STAR) provides New York homeowners with partial exemptions from school property taxes. If you earn less than **$500,000** and own and live in your home, you are probably eligible for the STAR exemption.

There are two parts to the STAR exemption:

Basic STAR is available for owner-occupied, primary residences where the owners' total income is less than **$500,000**. Basic STAR works as an exemption with the amount varying from year to year. *

Enhanced STAR provides an increased benefit for the primary residences of senior citizens (age 65 and older) with qualifying incomes. For qualifying seniors, Enhanced STAR may provide further tax reductions that vary from year to year. *

How do I apply for Basic STAR?

File an application with your local assessor. STAR applications are available from your assessor's office or on the internet at:
www.cityofrochester.gov/Assessment
or phone the Bureau of Assessment at
(585) 428-6994.

How do I apply for Enhanced STAR?

File an application with your assessor. For the **2016-2017** school year, senior citizens applying for the Enhanced STAR exemption must demonstrate that the combined income of all of the owners of the property - and of any owner's spouse who resides on the premises - was no greater than **$84,550 in 2014**.

First-time Applications:

Prior to the deadline, provide your assessor with your **Enhanced STAR Application** and a copy of your income tax return(s) for the appropriate income tax year (see income definition that follows).

Renewal Options (annual income verification):

On the **First-time Enhanced Star Application**, which includes your Social Security Number(s), **check the automatic renewal box** that authorizes the New York State Department of Taxation and Finance to verity your income eligibility each year. If you choose this option, you do not need to submit an application & copy of your tax return(s) to the assessor every year. However the State will not notify the local Assessor if your income becomes eligible for further exemptions such as the low-income Senior Citizens Exemption. Therefore contact the Assessor if your income reduces.

or

Leave the box unchecked and the Assessor will mail you **renewal forms, in the Fall each year,** for completion and return with supporting income documents.

What is the deadline for submitting the STAR application?

STAR applications (and all other exemption applications) must either be received in the assessor's office or be postmarked by taxable status date.
Rochester's taxable status date and deadline for all exemption applications is February 1st.

When taxable status date falls on a Saturday, Sunday or public holiday, the deadline for filing exemption applications is extended until the next business day.
The location and mailing address for the City of Rochester's Bureau of Assessment is:

City of Rochester / Bureau of Assessment
City Hall, 30 Church St., Room 101A
Rochester, NY 14614
(585) 428-6994 Mon-Fri, 9 am to 5 pm

What types of properties are eligible for STAR?

Both Basic and Enhanced STAR are available for owner-occupied residential properties, including: houses, condominiums, cooperative apartments, manufactured homes, and farm houses. STAR is also available for mixed use properties, including apartment buildings, but only applies to the owner-occupied portion of such properties.

How is income defined for STAR purposes?

For both Basic and Enhanced STAR, income information from the **2014** tax year is used to determine eligibility in **2016**. In both cases, income is defined as federal "adjusted gross income" [AGI] as reported on the applicants' federal or State income tax return, less the "taxable amount" of total distributions from individual retirement accounts or individual retirement annuities (both of which are commonly known as "IRAs"). In future years, the income limit for Enhanced STAR will increase, based on an annual cost of living adjustment.

Basic STAR - Beginning with the **2011-2012** school year, the income limit for Basic STAR is **$500,000**. Eligibility is based on the combined incomes of: a) owners who reside at the property, and b) any owner's spouse who resides at the property. Wherever possible, the New York State Tax Department determines whether STAR recipients are income-qualified. If you are not qualified, or if you are required to provide income information, you will be notified in writing by your assessor

Enhanced STAR - For Enhanced STAR, the income limit for **2016** is **$84,550**. Eligibility is based on the combined incomes of: a) all owners, and b) any owner's spouse who resides at the property. As noted above, the Enhanced STAR Income Verification Program offers senior citizens the option to have the Tax Department verify whether they are income-qualified each year.

For Enhanced STAR, how is age defined?

To receive Enhanced STAR, you must be at least 65 years old. For property owned by a husband and wife - or by siblings - only one of them has to be **at least 65 years old as of December 31 of the year in which the exemption will begin**.

Can the Enhanced exemption be granted to nursing home residents who own their homes?

Yes, provided that no one other than the co-owner(s) or spouse resides on the premises.

**** All income levels are subject to change.**

Can a surviving spouse who is not 65 years old continue to receive the Enhanced exemption?

A surviving spouse can retain an **existing Enhanced STAR exemption** provided that she or he is **at least 62 years old as of December 31 of the year in which the exemption will continue.** Otherwise, the individual may receive the Basic STAR exemption.

How will I know my STAR application has been approved?

Assessors are required to notify applicants if their STAR application has been denied. If you mail your application to the assessor, you may send it registered mail/return receipt requested. Alternatively, you may include a note requesting a receipt and a stamped, self-addressed envelope. If you hand-deliver it, you may request a receipt. In either case, retain a copy of your application for your records. When the tentative assessment roll is made available to the public, it is good practice to confirm that you will be receiving the appropriate STAR exemption.

* Why does the amount of my STAR exemption change from one year to the next?

The formula for calculating STAR exemptions is set forth in the law and can be confusing. STAR exemptions originally were equivalent to $30,000 for Basic and $50,000 for Enhanced in terms of the full market value of a home. The exempt amounts for some downstate counties were adjusted upwards to account for higher home values and higher taxes in those areas.

After more than a decade, the amounts of the exemptions vary due to several factors, including whether the municipality has reassessed its property, the level of assessment of the individual municipality, and other factors. In addition, the Enhanced STAR exemption is adjusted annually based on the rate of inflation.

In addition to changes in the amount of the exemptions, the amount of savings resulting from STAR may vary depending on the amount of taxes being collected by the school district. Also potentially impacting your STAR savings, beginning with school taxes for the 2011-12 school year, new legis-

Continued at the top of the previous page