

# Property Tax Freeze Credit

41

- Homeowners must be STAR eligible (primary residence)
- Districts must comply with tax levy limit (including exclusions) in 2014-15 and/or 2015-16
- Rebate checks issued by NYS Tax Department in Fall of 2014 and 2015
- 2014 Credit:
  - Greater of 2014-15 increase in school taxes or 1.46% of 2013-14 school tax bill
- 2015 Credit:
  - Rebate received in 2014 plus the greater of the increase in school taxes in 2015-16 or 2014-15 school taxes multiplied by the lesser of 2% or the CPI applicable to the tax levy limit in 2015
- 2015 Eligibility:
  - State approved government efficiency plan
    - Regional, multi-district, or individual
    - Achieves 3 years of savings & efficiencies of 1% per year of 2014 school tax levy in each of 3 years starting in 2016-17
  - BOCES may convene and facilitate development of an efficiency plan for each BOCES region
  - Plans may include efficiencies already implemented
  - Savings plans to be submitted to the Director of the NYS Budget by June 1, 2015

# 2014 Tax Freeze

42

- For STAR-eligible homeowners in a tax freeze compliant district, the 2014-15 rebate credit will be equal to the greater of:
  - the actual 2014-15 increase in school taxes
  - OR
  - 2013-14 school taxes x (the lesser of 2% or the CPI applicable to the tax levy limit in 2014)
    - For 2014-15 = (1.46% x 2013-14 school tax bill)

# 2014 example

43

## If tax increase is greater than CPI:

2013-14 Tax Bill =	\$2,500
2014-15 Tax Bill =	\$2,550
Increase in Taxes =	\$50
1.46% x 2013-14 Tax Bill =	\$36.50

**2014 Rebate to Homeowner = \$50**

## If tax increase is less than CPI:

2013-14 Tax Bill =	\$2,500
2014-15 Tax Bill =	\$2,525
Increase in Taxes =	\$25
1.46% x 2013-14 Tax Bill =	\$36.50

**2014 Rebate to Homeowner = \$36.50**

# 2015 Tax Freeze

44

- For STAR-eligible homeowners in a tax freeze compliant district with an approved efficiency plan, the rebate will be equal to:
  - the rebate received in 2014 PLUS
  - the greater of the increase in school taxes in 2015-16 OR (2014-15 school taxes x the lesser of 2% or the CPI applicable to the tax levy limit in 2015).

# 2015 Example

(if tax increase is greater than CPI)

45

2014 Rebate to Homeowner = \$50

2014-15 Tax Bill = \$2,550

2015-16 Tax Bill = \$2,625

Increase in Taxes = \$75

CPI up to 2.00% x 2014-15 Tax Bill = \$51

(2% is used for this example)

**2015 Rebate to Homeowner = \$50 + \$75 = \$125**

# 2015 Tax Freeze

46

- ❑ STAR-eligible homeowners in a school district that does not comply with the tax cap in 2014 will be eligible for the rebate in 2015 if:
  - the school district complies with tax cap in 2015 AND
  - has a government efficiency plan approved in 2015
  - The 2015 rebate will be based only on the increase in the school tax bill in 2015 as compared to 2014.

# Assessment Increases

47

- Rebate will NOT include the increase in taxes due to assessment increases as a result of:
  - property improvements OR
  - loss of exemption(s)
  
- Increases in tax bills due to a general “town or municipality wide” re-evaluation, the rebate will be calculated as follows:
  - If the home’s assessment increased **more than the average** assessment increase for the municipality, the rebate will be based on the average increase in assessment;
  
  - If the home’s assessment increased **less than the average** assessment increase for the municipality, the rebate will be based on the actual reassessed value of the home.