

EAST ISLIP UNION FREE SCHOOL DISTRICT

# Budget Presentation #2

Presented by:

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March 9, 2017

# Property Tax Relief Credit

## Section 606 (n-1) of NYS Tax Law

- Property Tax Relief Credit
- Eligibility
- Tax Cap Compliant

# Property Tax Relief Credit

## Section 606 (n-1) of NYS Tax Law

- The property tax relief credit provided by this amendment is applicable for 2016 through 2019.
- The amount paid via refund check during 2016 is based upon the county of residence.
- For those taxpayers living within the Metropolitan Commuter Transportation District (MCTD) the credit equates to \$130 for this year.
- Suffolk County is within the MCTD.

# Property Tax Relief Credit

## Section 606 (n-1) of NYS Tax Law

- The property tax relief credit for 2017 through 2019 is based upon the Adjusted Gross Income (AGI) of homeowners from two years prior to the year of rebate.
- Sliding scale credit as a percentage of Basic STAR savings.

AGI	2017	2018	2019
<= \$75,000	28%	60%	85%
> \$75,000 <= \$150,000	20.5%	42.5%	60%
> \$150,000 <= \$200,000	13%	25%	35%
> \$200,000 <= \$275,000	5.5%	7.5%	10%
> \$275,000	0%	0%	0%

# Property Tax Relief Credit

## Section 606 (n-1) of NYS Tax Law

- Basic and Enhanced Star maximums are set for each school district.
- The maximum Basic Star savings for East Islip is \$1,201.
- Based upon the maximum Basic Star savings and the sliding scale for AGI, estimated credit amounts are as follows:

AGI	2017	2018	2019
<= \$75,000	\$336	\$721	\$1,021
> \$75,000 <= \$150,000	\$246	\$510	\$721
> \$150,000 <= \$200,000	\$156	\$300	\$420
> \$200,000 <= \$275,000	\$66	\$90	\$120
> \$275,000	\$0	\$0	\$0

# Property Tax Relief Credit

## Section 606 (n-1) of NYS Tax Law

- For those taxpayers eligible for Enhanced STAR savings, the rebate is based upon a percentage of the savings.

2017	2018	2019
12%	26%	34%

# Property Tax Relief Credit

## Section 606 (n-1) of NYS Tax Law

- Basic and Enhanced STAR maximums are set for each school district.
- The maximum Enhanced Star savings for East Islip is \$2,403.
- Based upon the Enhanced Star savings, estimated credit amounts are as follows:

2017	2018	2019
\$144	\$312	\$408

# STAR Eligibility

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Eligibility	Basic	Enhanced
Residency	Owned/Primary	Owned/Primary
Age	No age restriction	65 or older
Income	<= \$500,000	<=\$84,550



# Tax Levy and Budget (Historical/Draft\*)

Year	Tax Levy	Percent Increase	Approved/ Proposed Budget	Appropriated Fund Balance
2012/13	\$66,542,280	2.99%	\$105,858,971	\$3,836,124
2013/14	\$69,109,469	3.86%	\$109,476,684	\$4,577,700
2014/15	\$69,756,866	0.94%	\$110,785,649	\$4,866,622
2015/16	\$70,428,345	0.96%	\$111,076,458	\$4,000,000
2016/17	\$70,428,345	0.00%	\$112,683,147	\$2,753,682
2017/18*	\$71,408,084	1.39%	\$115,580,403	\$2,768,538

# Property Tax Relief Credit

## Section 606 (n-1) of NYS Tax Law

- The District held the tax levy for 2016/17 at a 0% increase over the 2015/16 tax levy and qualified homeowners received a tax relief credit of \$130.
- The first draft of the 2017/18 Budget incorporates a 1.39% tax levy increase, which equates to an approximate annual increase of \$90 for the average homeowner. Qualified homeowners at the lower income levels will receive a tax relief credit estimated at \$336.
- Those homeowners qualified for an Enhanced Credit will receive approximately \$144.
- This credit is only available to those Districts that remain within the maximum allowable levy.

# Calendar of Events

Date	Time	Meeting	Topic
March 9 <sup>th</sup>	8:00 p.m.	Budget Workshop	Budget Presentation #2
March 23 <sup>rd</sup>	7:00 p.m.	Budget Workshop	BAC Presentation
April 6 <sup>th</sup>	6:00 a.m. to 9:00 p.m.		Vote - Safety, Security and Efficiency Referendum
April 6 <sup>th</sup>	7:00 p.m.	Budget Workshop	BOE Response to BAC
April 20 <sup>th</sup>	8:00 p.m.	BOE	Budget Adoption
May 9 <sup>th</sup>	8:00 p.m.	BOE	Business/Budget Hearing
May 16 <sup>th</sup>	6:00 a.m. to 9:00 p.m.		Budget Vote and Election

# Thank You

- Questions and Comments