

How to Calculate Your Income for STAR:

IRS Form 1040: Line 7 minus Line 4b
NYS Form IT-201: Line 19 minus Line 9

If you were not required to file a tax return, you will need the following information for all property owners: documentation of total wages, salaries and tips; taxable interest income and dividends; unemployment compensation; total pensions and annuities; Social Security benefits and other income.

What If the State Requests More Information or Denies My Eligibility?

Current STAR exemption recipients, who do not comply with a request from the state to provide additional documentation to prove their eligibility, may risk losing their STAR benefit. Once a homeowner provides the state with the requested information, their registration will be updated and, if eligible, a STAR tax credit check will be issued by the state.

Recipients who disagree with the state's determination of their eligibility must send an explanation and supporting documentation (i.e. 2017 New York State or federal income tax returns), along with a copy of the notification, to NYSDTF by fax at (518) 435-8634, or mail at NYS Tax Department, ORPTS STAR Resolution Unit- 425 RDS, W A Harriman Campus, Albany, NY 12227-0801



Primary Residence

Homeowners who own more than one residential property may only receive the STAR benefit on their primary residence, and cannot receive both the STAR credit and the exemption. The Department of Assessment or NYSDTF may request proof of residency.

Special Eligibility Rules

Special eligibility rules apply for surviving spouses, nursing home residents, trusts and life estates. See details at tax.ny.gov/star.

Changes to Deeds

Residents should contact the Department of Assessment before changing the name on their deed or certificate of shares and before changing their primary residence, as the exemption status may be impacted.

Filing Deadline

STAR applications must be postmarked or received by the Taxable Status Date of **January 2, 2020**.

The Hempstead Town Tax Office does not determine exemption eligibility. The information contained in this brochure is presented to the residents of the Town of Hempstead by the Receiver of Taxes for informational purposes only and is subject to change at any time without notice.

Town of Hempstead Tax Office

(516) 538-1500
receiver@tohmail.org
www.hempsteadny.gov/tax-exemptions/star

Nassau County Department of Assessment

(516) 571-1500
ncassessor@nassaucountyny.gov
www.nassaucountyny.gov/1501/assessment

New York State Department of Taxation and Finance

(518) 457-2036
www.tax.ny.gov/star

STAR PROGRAM

Your Guide to NEW YORK STATE SCHOOL TAX RELIEF PROGRAM



Receiver of Taxes
Don Clavin



200 North Franklin Street, Hempstead, NY 11550
(516) 538-1500 • receiver@tohmail.org





STAR is the New York State School Tax Relief Program that provides a partial exemption from, or a credit for school property taxes for owner-occupied primary residences of one-, two- and three-family homes, farm homes, condominiums, cooperative apartments or multiple use properties of which a portion is used by the owner as a primary residence.

Several years ago, New York State enacted major changes to the STAR program by closing the STAR tax exemption to new applicants and initiating a separate STAR tax credit for new enrollees. New STAR program participants now receive their STAR cost savings in the form of a check issued by the New York State Department of Taxation and Finance (NYSDTF), and NOT in a reduced school tax bill. Homeowners who were already receiving the STAR tax exemption continued to see their savings deducted from their school tax bill.

If Your Income is More than \$250,000: The STAR Program is Changing for You

New York State has once again altered the STAR program, lowering the maximum income limit for the Basic STAR exemption to **\$250,000***.

Beginning with the October 2019-20 school tax bill, the state is automatically switching current Basic STAR tax exemption participants with a household income greater than \$250,000 and less than or equal to \$500,000 to the STAR tax credit. Current Basic STAR exemption enrollees with a household income greater than \$250,000 will no longer see the STAR savings directly on their school property tax bill, but will instead receive a check mailed from the state for their STAR

benefit. Homeowners need not register again unless a change is made to their deed. As long as the homeowner remains eligible, they will continue to receive a check for their STAR benefits in future years.

Homeowners impacted by this change will be notified directly by NYSDTF, and need not take any action, unless instructed to do so. Homeowners who pay their school taxes through a mortgage escrow account may wish to advise their lender that they have been switched from the STAR exemption to the STAR credit.

If Your Income is \$250,000 or Less: You Have the Option to Switch to the STAR Credit

If you are currently receiving the Basic or Enhanced STAR tax exemption and your household income is \$250,000 or less, you need not take any action; you will continue to receive a reduced school tax bill as long as you remain eligible. You do, however, have the option to switch to the STAR tax credit, which may provide a greater benefit.

For those who choose to keep their STAR tax exemption, the savings on their school tax bill will be frozen and will never be greater than the previous year's savings amount. STAR tax credit enrollees may see annual increases of up to two percent. Please note, if you choose to switch to the STAR tax credit, the state will not allow you to switch back to the STAR tax exemption in the future.

Basic STAR

Basic STAR has been extended to all primary residence homeowners, regardless of age. The total annual household income of the owners and their spouses who primarily reside at the property must not exceed \$500,000.

Enhanced STAR

Eligible senior citizens may receive reduced school taxes under Enhanced STAR. All owners must be at least 65 years of age in the year that the benefit takes effect. If owners are spouses or siblings, only one resident owner must be at least 65. Their

household income limit for the 2020-21 school year must not exceed **\$88,050**. The income limit applies to the combined incomes of all owners (residents and non-residents), and any owner's spouse who resides at the property.

Mandatory Enhanced STAR Income Verification Program (IVP)

The NYSDTF is responsible for determining income eligibility for qualifying Enhanced STAR applications annually. Property owners who are currently receiving the Basic STAR exemption and are applying for the Enhanced STAR exemption, and those who are already receiving the Enhanced Star exemption, but who did not register for the Income Verification Program, must submit an IVP application (Form RP-425-IVP), along with an Enhanced STAR application, to the Nassau County Department of Assessment. For applications, visit hempsteadny.gov/tax-exemptions/star.

How to Apply for or Switch to the STAR Credit

To apply for the STAR credit or to switch from the STAR exemption to the STAR credit, please visit tax.ny.gov/star or call **(518) 457-2036** weekdays, from 8:30 AM to 4:30 PM. Once registered for the STAR credit, homeowners will not need to register again in the future, unless there has been a change in home ownership. NYSDTF will review STAR credit registrations each year to determine whether a homeowner is eligible for the Basic or Enhanced STAR credit and will issue a check for the respective benefit.

Income Eligibility

Income eligibility for the **2020-21 school tax year** is based on household income information for **2018**. Income is defined as the amount reported as Federal "Adjusted Gross Income" (AGI), less any "taxable amount" of IRA distributions.

*Income eligibility for the 2019-2020 school year is based on income from the 2017 year.