

Exemption Administration Manual - Part 1

Residential - Other Than Multiple Dwellings

Section 4.01 - RPTL Section 425

School Tax Relief (STAR)

RPTL Section 425

For more information see the [STAR web page](#)

Exemption Code(s): §425 (3)–	Basic STAR (Effective with 1999-2000 school tax levy)	41854
§425(2j) –	Basic STAR in certain school districts (New York City, Buffalo, Rochester, Syracuse, Yonkers) (Effective with 1999-2000 school tax levy)	41856
§425 (2l)–	Basic STAR (Manufactured home on land belonging to others)(Effective with 1999-2000 school tax levy)	41864
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Year Originally Enacted: 1997

Related Statutes: RPTL §§102(12)(g), 467, 520(5)

SUMMARY: Owner-occupied property that is a one, two, or three-family residence, a mobile home or trailer, a farm home, or a residential condominium or cooperative apartment, and which serves as the primary residence of the owner or that portion of any other type of property which is partially used by the owner as a primary residence, is partially exempt from school district taxes, but liable for general municipal and county taxes, as well as for special ad valorem levies and special assessments. (An exception to this involves the cities of New York, Buffalo, Rochester, Syracuse, and Yonkers, where a reduced exemption is applied against **BOTH** school and general city taxes.) All primary-residence homeowners are eligible for the "Basic" STAR exemption, regardless of age or income. The amount of the basic exemption is \$30,000, subject to equalization and other adjustments.

Primary-residence owners that meet additional requirements are eligible to receive the "Enhanced" STAR exemption. To be eligible, all property owners must be 65 years of age or older, with incomes that do not exceed \$60,000 a year as amended annually according to a cost-of-living adjustment (COLA) used by the Social Security Administration. The Office of Real Property Services has revised and promulgated the eligible income limit for each roll year. (Certain exceptions to the age requirement exist, see 1. Eligibility Requirements, A. Ownership Requirements.) The amount of the enhanced exemption is \$56,800 as amended annually according to an increase in the consumer price index for urban wage earners and clerical workers (CPI-W) published by the U.S. Department of Labor (Bureau of Labor Statistics), measured in the third quarter of the calendar year preceding the applicable school year, subject to equalization and other adjustments. For purposes of the Enhanced STAR exemption, "income" means the "adjusted gross income" **for federal income tax purposes** as reported on the applicant's federal or state income tax return for the applicable income tax year, minus any taxable distributions from an Individual Retirement Account (IRA). Low-income seniors who will be receiving the senior citizen exemption will automatically qualify for the STAR exemption, without filing a separate STAR application. Although senior citizens whose annual incomes exceed the eligible income limit for a given year will not be eligible for the Enhanced STAR exemption, they may be eligible for the Basic STAR exemption.

The STAR exemption amounts will be adjusted by a "sales price differential factor" in counties where the median residential value exceeds the statewide median residential value, and by the applicable State

equalization rate for each assessing unit. The adjusted exempt amounts are limited by a "floor," which provides that the exemption may not be less than 89 percent of the exempt amount determined in the prior year, unless the level of assessment has changed by five percent or more. The State Board will calculate the applicable STAR exemption amounts and certify them to assessing units at least 20 days before their tentative assessment rolls must be filed.

The STAR exemption must be applied after all other applicable exemptions have been applied to the property's assessed value. However, the exemption may not reduce the property's taxable assessed value below zero, nor may any owner receive both the basic and Enhanced STAR exemptions in the same year. Anyone who misrepresents his or her primary residence, age or income on a STAR application may be subject to a \$100 penalty, may be prohibited from receiving the STAR exemption for five years, may have to return up to three years of taxes saved by the improperly granted exemption, and may be subject to criminal prosecution.

A. ELIGIBILITY REQUIREMENTS:

1. Ownership Requirements:

Basic STAR exemption: The property must be owned by a private individual or individuals. If legal title to the property is held by one or more trustees, the beneficial owner or owners are considered to own the property for purposes of this exemption. A farm dwelling that is held in the name of a business corporation or a partnership is eligible, provided such dwelling serves as the primary residence of a shareholder or one of the partners. A dwelling owned by a limited partnership is eligible for the exemption if the property serves as the primary residence of one or more of the partners, provided that the limited partnership does not engage in any commercial activity, and that the partnership was lawfully created to hold title solely for estate planning and protection purposes. Furthermore, the partner or partners residing on the property must personally pay all real property taxes and other costs associated with the property's ownership. A husband and wife may receive this exemption on no more than one residence, unless they are legally separated.

Note: where a person is the owner of a parcel under a life estate, or is a vendee in possession of a contract of sale, or is a beneficial owner under a trust, or resides primarily in a farm dwelling owned by a corporation or in a dwelling owned by a limited partnership as described above, and has applied for and received the exemption, that person is considered the owner of the parcel for purposes of this exemption.

Enhanced STAR Exemption: In addition to the requirements listed above for the Basic STAR exemption, all owners of the property must be 65 years of age or older as of December 31 of the applicable assessment roll year. However, certain exceptions have been legislated as follows: (1) for property owned by a husband or wife, one of the owners must be 65 years of age or older as of December 31 of the assessment roll year, (2) for property owned by siblings, one of the siblings must be 65 years of age or older as of December 31 of the assessment roll year, and (3) for property owned by a surviving spouse where a STAR exemption was previously granted, the spouse must be 62 years of age or older as of December 31 of the assessment roll year. Furthermore, for the 2010 roll year the combined income of all the owners and of any owners' spouses residing on the premises will be based on the 2008 income tax year (January-December unless a different 12-month period is used for income tax filing purposes), and may not exceed \$74,700. (This figure includes annual cost-of-living adjustments (COLAs) that have been applied to the \$60,000 income ceiling originally instituted in 1998). On subsequent assessment rolls, i.e., 2011 and thereafter, the applicable income tax year, COLA, and applicable increase percentage is advanced by one year, with the income standard being the previously applicable income standard increased by the new COLA. Therefore applications for this exemption on the 2011 assessment rolls must be based on the applicants' 2009 income; application on the 2012 roll must be based on their 2010 income, and so on. The enhanced exemption may be granted when the owner is absent from the residence due to long-term confinement in a nursing home or other health care facility, as long as the property is not occupied by anyone other than the co-owner or spouse. A similar provision applies to the senior citizens exemption, except that no income adjustment is applicable for STAR purposes.

For the purpose of this exemption, income means the "adjusted gross income" for federal income tax purposes as reported on the applicant's latest available federal or state income tax return for the applicable income tax year, subject to any subsequent amendments or revisions, **reduced by** distributions, to the extent included in federal adjusted gross income, received from an individual retirement account and an individual retirement annuity; provided that if no such return was filed for the applicable income tax year, income means the adjusted gross income that would have been so reported if such a return had been filed. Any exclusion or deduction from income allowed at local option for purposes of the RPTL §467 senior citizen exemption, e.g., medical and prescription expenses which are not reimbursed or paid by insurance from the computation of an applicant's income, is **not** allowed for purposes of the STAR exemption.

Note: In cases where the combined income exceeds the eligible income standard for a given year the property in question is nevertheless eligible for the **Basic STAR** exemption provided all other eligibility requirements are met.

Owners who qualify for the exemption under RPTL §467 automatically qualify for the enhanced STAR exemption.

2. Property Location Requirements: None

3. Property Use Requirements: Property must be a one-, two-, or three-family residence, a farm home or a residential condominium or cooperative apartment. The property must serve as the primary residence of one or more of the owners thereof. The exemption may be granted to a portion of any other type of property that is partially used by the owner as a primary residence.

4. **Certification by State or Local Government:** The State Board of Real Property Tax Services must compute the exempt amount for each assessing unit (see Calculation of Exemption), and must certify the same to the assessor in each assessing unit and to the county director of real property tax services in each county. Such certification must be made at least 20 days before the last date prescribed by law for the filing of the tentative assessment roll.

Recertification is required in certain cases. If the State Board determines that an exempt amount calculated under this exemption differs from the exempt amount that should have been so calculated by five percent or more, due to a change in level of assessment, inaccurate or incomplete data, or other causes, it must recompute the amount for that assessing unit and must certify the recomputed amount to the assessor and county director of real property tax services.

5. **Required Construction Start Date or Other Time Requirement:** None. However, in signing the application for exemption, owner agrees to notify the assessor if his or her primary residence changes while their property is receiving this exemption (see Application form RP-425).

B. **LOCAL OPTION:** None.

C. **LIMITATION ON EXEMPTION:**

	General Municipal Taxes	School District Taxes	Special Ad Valorem Levies	Special Assessments
1. Amount	No exemption allowed*	Yes**	No exemption allowed*	No exemption allowed*
2. Duration	No exemption allowed*	No limit	No exemption allowed*	No exemption allowed*
3. Taxing Jurisdiction	Tax	NA	Tax	Tax
a. County or County Special Districts				
b. City	Tax*	NA	NA	Tax
c. Town or Town Special District	Tax	NA	Tax	Tax
d. Village	Tax***	NA	NA	Tax
e. School District	NA	Ex*	NA	NA
	Ex - Exempt	Tax - Taxable	NA - Not Applicable	

* In cities of 125,000 inhabitants or more (New York City, Buffalo, Rochester, Syracuse, Yonkers) the STAR exemption is reduced in amount but applied to both general city portion of levy and portion of levy designated for school purposes (see Calculation of Exemption).

**No exemption allowed for library purposes in consolidated school districts.

*** Unless boundaries of the village are coterminous with those of a union free school district.

D. **PAYMENTS IN LIEU OF TAXES:** None required.

E. **CALCULATION OF EXEMPTION:**

1. **General Municipal and School District Taxes:** This exemption is allowed for school district taxes only, except in the cities of New York, Buffalo, Rochester, Syracuse, and Yonkers. It is the responsibility of the State Board to compute the exemption and provide the exempt amount to the assessor. The exemption amount is calculated for each assessing unit annually by the State Board according to the provisions of RPTL §425(2).

The "base figure" used by the State Board to calculate the exemption is \$30,000 for the Basic STAR exemption and \$60,100 for the Enhanced STAR exemption (2010-2011 school year).

Required Adjustments to the Base Figure:

- In counties where the median sales price of residential property exceeds the state median, this "base figure" is further adjusted by a "sales price differential factor". Sales reported pursuant to Section 333 of the Real Property Law or, in the case of New York City, a special local law are used to determine this factor. Sales of property held in condominium or cooperative form of ownership are excluded.
- The State Board then multiplies the result of the above calculation by the "equalization factor", which is the appropriate State equalization rate, or special equalization rate. In the case of New York City and Nassau County, the equalization factor for Class 1 in each school district portion is the class equalization rate for Class 1 in the portion, and the equalization factor for Class 2 in each school district portion is the equalization factor for Class 1 in the portion, multiplied by the latest tax rate for Class 1 in the portion and then divided by the latest tax rate for Class 2 in the portion. (In any instance when school district taxes are levied upon an assessment roll which predates the latest final assessment roll,

the equalization factor used for the assessment roll upon which school district taxes are to be levied).

Note: the equalization factor is not capped at 1.00.

- c. The result of the adjustment in (b) is limited by a "floor", which may not be less than 89 percent of the exempt amount determined for the prior roll, unless the level of assessment in the assessing unit (or in Class 1 for New York City or Nassau County) has changed by five percent or more, in which case the STAR exempt amount may not be less than 89 percent of the product of the previous year's exempt amount multiplied by the applicable change in level of assessment factor.

The result the State Board obtains in this series of calculations is rounded to the nearest ten dollars, and becomes the exempt amount for the assessing unit for the levy of school taxes on the corresponding assessment roll.

No exemption is determined by the State Board for a village, unless the boundaries of the village are coterminous with a union free school district.

Note: The STAR exemption should be applied to the final assessment roll for the year prior to the year of the school district levy in an assessing unit in which school district taxes are levied on the prior year's assessment roll if the assessing unit has adopted a local law permitting applications for this exemption to be submitted on or before taxable status date of the current year's assessment roll. When such a local law is in effect the eligibility of the property for STAR purposes is based upon the condition of the property as of the taxable status date of the prior year's assessment roll, and the ownership of the property as of the taxable status date of the current year's assessment roll. Such a local law applies to assessment rolls based upon taxable status dates occurring on or after the effective date of such local law, and remains applicable thereafter unless and until it is repealed or rescinded (see Filing Requirements).

Special Calculation for Certain Cities: The State Board must adjust the exempt amount for the cities of Buffalo, New York, Rochester, Syracuse, and Yonkers to account for the fact that the school district is fiscally dependent on the city. This adjustment is made by multiplying the exempt amount that would otherwise be determined by 50 percent for New York City, or, in the case of the other four cities, by 67 percent. The exempt amount resulting from this calculation is applied both to the assessed value for city school district purposes and to the assessed value for general city purposes.

The adjusted exemption amounts for each assessing unit is certified and transmitted by the State Board to each assessing unit (see Certification by State and Local Government above). If the State Board recertifies the exempt amount for the assessing unit, the assessor must correct the assessment roll accordingly, or, if another person has custody or control of the assessment roll, that person must make the appropriate corrections. If the corrections are not made before the school taxes are levied, the difference between the original exempt amount and the recertified amount for each affected parcel must be deemed a "clerical error", as defined in RPTL §520(2), and must be corrected accordingly.

If the exemption is to be applied to a mobile home or trailer in which the owner of such mobile home or trailer does not own the land, the total amount of STAR exemptions on such mobile homes or trailers should be entered as exemptions on the parcel comprising these residences. If it has not been done previously, assessor will need to apportion the value of the parcel among all the mobile homes and trailers on the parcel **for purposes of this exemption only**, without creating separate assessments in the names of the eligible mobile home or trailer owners. In the case of mobile home parks, the assessor must also provide a breakdown of exemptions to the park owner so that proper amounts may be credited to the appropriate parties. In no event may the exempt amount exceed the total assessed value attributable to the individual trailer or mobile home.

If the exemption is to be applied to a dwelling unit within a cooperative apartment corporation, the assessor will need to apportion value of all the units based on shares owned relative to the total number of shares issued by the corporation. The assessor must also provide a breakdown of exemptions to the manager of the cooperative apartment corporation so that proper amounts may be credited to the appropriate parties. Should the cooperative project include more than one parcel, the apportioned value should be based on the total value of all parcels comprising the project, regardless of whether all the parcels have dwelling units on them or not. In no event may the exempt amount exceed the total assessed value attributable to the individual dwelling unit.

Resident owners of dwelling units within cooperative apartments organized as limited-profit (Mitchell-Lama) housing companies who satisfy the STAR eligibility requirements are entitled to receive STAR-related credits ("STAR Savings") as an alternative to reductions in assessed value. The assessor will need to calculate such savings, equal to one-third of the "base figure" used to calculate both the basic and enhanced exemption with required adjustments (see Required Adjustments to the Base Figure above), multiplied by the applicable school tax rate, or in the cities of New York, Buffalo, Rochester, Syracuse and Yonkers, multiplied by the applicable city tax rate. The STAR savings for any individual unit may not exceed the amount payable or chargeable to the unit as real property taxes or payments in lieu of taxes. The assessor should provide a breakdown of such credits by unit to the manager of the corporation so that credits are properly allocated (see Reporting Requirements below).

If an individual mobile home, trailer, or cooperative unit is already separated for purposes of

granting the veteran exemption (RPTL §§458, 458-a, 458-b) or senior citizen exemption (RPTL §467), the STAR exempt amount should be placed on the assessment roll entry for that owner.

If the STAR exemption is to be applied to a non-residential type of parcel, a portion of which is used by the owner as a primary residence, it must be applied solely to that portion of the property used for residential purposes. Under no circumstances may the exempt value exceed the assessed value attributable to that portion.

Only one STAR exemption (basic or enhanced) may be granted on a parcel eligible for this exemption, except for parcels containing more than one eligible mobile home, trailer, cooperative apartment unit, or physically separate residence. In instances where a parcel includes more than one physically separate residence, the exemption may be granted to each residence which: (1) serves as the primary residence of at least one of the owners of the parcels, and (2) would be eligible for this exemption if it were separately assessed and owned exclusively by the owner or owners who reside on the parcel. However, only one exemption may be applied to the land included with the parcel.

If an owner or owners' primary residence is located within two or more municipalities, each portion of the residence will be eligible for the STAR exemption, if the eligibility requirements are otherwise satisfied. The respective assessors should allocate the exemption in the same manner as the apportionment of full value of the property to each municipality, so long as the tax savings resulting from the exemption does not exceed the tax savings if the residence was located entirely within one municipality. This allocation procedure does not apply in cases where the land associated with the residential structure is located in more than one municipality, but where the residential structure itself is located entirely within one of these municipalities.

This exemption must be applied by the assessor after all other exemptions for which the parcel is eligible have been subtracted from the total assessed value of the parcel. In no event may the exemption exceed the total assessed value of the parcel less all other exemptions allowed by law.

The assessor must discontinue granting this exemption on the next ensuing tentative assessment roll if it appears that: (1) the property may not be the primary residence of the owner or owners who applied for the exemption; (2) title to the property has been transferred to a new owner or owners; or (3) the property otherwise may no longer be eligible for the exemption.

Note: This exemption does not remain with the owner when the owner moves his or her residence. The provisions for removal of exempt status upon transfer of title under RPTL §520(5) do not apply if the transferred property is receiving only the STAR exemption, and no other exemption. If the property is receiving the STAR exemption and one or more other exemptions, those provisions apply only to the extent that the property is receiving such other exemption or exemptions. Should the new owner of the property fail to reapply for the exemption by the next ensuing taxable status date, this exemption must be discontinued. (See Reporting Requirements of the Assessor.) If a property was sold a few days before taxable status date and the new owner did not apply for this exemption, the assessor may correct the final roll by removing the existing STAR exemption pursuant to RPTL §552, since the new owner, under these specific circumstances, is not entitled to it.

In addition to discontinuing the exemption on the next tentative assessment roll, if the assessor determines that the property improperly received this exemption on one or more of the three preceding assessment rolls, he or she must proceed to revoke the improperly granted prior exemption or exemptions. The assessed value attributable to each such improperly granted exemption must be entered separately on the next ensuing tentative or final assessment roll, in accordance with the provisions of RPTL §§551 or 553 (relating to the entry by the assessor of omitted real property on a tentative or final assessment roll). Recipients of the improperly granted exemption(s) are liable for the amount of taxes saved in the three prior years.

If the assessor further determines, within three years of filing of an application, that there was a "material misstatement" on the application, he or she must proceed to impose a penalty tax against the property of \$100 for each of the three prior years such a misstatement was made on the exemption application. An application is considered to contain a material misstatement for purposes of this exemption when: (1) the applicant or applicants claimed that the property was their primary residence, when it was not; or (2) in the case of an application for the Enhanced STAR exemption, the applicant or applicants misrepresented their age or income so as to appear eligible for such exemption, when they were not (see Form RP-425). The penalty tax is entered on the next ensuing tentative or final assessment roll. The provisions of RPTL §§551 or 553 (relating to the entry by the assessor of omitted property on a tentative or final assessment roll) applies insofar as practicable when imposing the penalty tax (see Reporting Requirements of the Assessor). Any person or persons found to have made a material misstatement must be disqualified from eligibility for this exemption for a period of five years.

2. **Special Ad Valorem Levies and Special Assessments:** No exemption allowed.

Code Description of Alternative Codes Possible

- 41854 §425 (3) – Basic STAR (Effective with 1999-2000 school tax levy)
- 41856 §425(2(j)) – Basic STAR in certain school districts (New York City, Buffalo, Rochester, Syracuse, Yonkers) (Effective with 1999-2000 school tax levy)
- 41864 §425 (2l) – Basic STAR (Manufactured home on land belonging to others) (Effective with 1999-2000 school tax levy)
- 41866 §425 (2j,l) – Basic STAR in certain school districts (New York City, Buffalo, Rochester, Syracuse, Yonkers) (Manufactured home on land belonging to others) (Effective with 1999-2000 school tax levy)
- 41834 §425(4) – Enhanced STAR (Effective with 1998-1999 school tax levy)
- 41836 §425(2(j)) – Enhanced STAR in certain school districts (New York City, Buffalo, Rochester, Syracuse, Yonkers)(Effective with 1998-1999 school tax levy)
- 41844 §425 (2l) – Enhanced STAR (Manufactured home on land belonging to others) (Effective with 1998-1999 school tax levy)
- 41846 §425 (2j,l) – Enhanced STAR in certain school districts (New York City, Buffalo, Rochester, Syracuse, Yonkers) (Manufactured home on land belonging to others) (Effective with 1998-1999 school tax levy)

Assessment Roll Section(s): Taxable (RPS Section 1).

NOTE: Codes 41834, 41836, 41844, and 41846 (Enhanced STAR) should not be used to identify property that is exempt under RPTL §467 (Senior Citizens). For coding of such property, see the Exemption Profile for that statute.

G. FILING REQUIREMENTS (Owner or Occupant of Property):

1. Form RP-425 rev. (6/09) - Application for School Tax Relief (STAR) Exemption

Basic STAR: To receive this exemption, all owners of the property must jointly apply on or before the local taxable status date. If the exemption is granted, the owner need not reapply in subsequent years to keep this exemption, unless the exemption is discontinued or revoked by the assessor. Recipient of exemption must notify the assessor if his or her primary residence changes.

Enhanced STAR: If the owner is currently receiving the senior citizen exemption (RPTL §467), he or she automatically qualifies for the Enhanced STAR exemption, and need not apply for such as long as he or she is receiving the senior citizens exemption (which requires annual renewal). Owners who are 65 years of age or older and who do not qualify for the senior citizen exemption may nevertheless apply for the Enhanced STAR exemption on or before the local taxable status date. However, if this exemption is granted, such owners must reapply each year thereafter in order to keep the exemption in effect, and such owners must notify the assessor if their primary residences change.

2. Form RP-425-IVP (6/09) – School Tax Relief (STAR) Exemption; Optional Income Verification Program

Eligible owners applying for the Enhanced STAR exemption may authorize the assessor to have their incomes verified in subsequent years by the State Department of Taxation and Finance, through the STAR income verification program. If the owners participate in the program, they must furnish their taxpayer identification number to the assessor at that time (see Form RP-425 below). If such owners have their income eligibility verified and meet all other eligibility requirements, they will not be required to submit annual renewals and income tax records to the assessor in subsequent years. However, if the owner or owners stop participating in the income verification program, the owners must resume submitting applications and tax returns to the assessor's office on or before taxable status date to remain eligible for this exemption. Such owners have the option to re-enter that program in a later year. Owners who are 65 years of age or older and who are ineligible for the Enhanced STAR exemption may file for the Basic STAR exemption.

The STAR income verification program pertains only to renewal applications. Furthermore, it does not affect owners who automatically receive the Enhanced STAR exemption by their receiving the Senior Citizens exemption (RPTL §467).

All other applicants for the Enhanced STAR exemption must submit application forms to the local assessor's office on or before taxable status date. Applicants who also choose to participate in the STAR income verification program will not need to reapply or submit tax returns to the assessor's office for the next succeeding year and thereafter.

Any information or documentation submitted by an applicant in connection with applications for or renewal of the Enhanced STAR exemption to verify income is considered confidential, and the assessor, any municipal officer, or municipal employees are prohibited from disclosing any such information, except for mandatory disclosure requirements in the performance of their official duties.

information, except for any disclosure necessary in the performance of their official duties (including information pertinent to the STAR income verification program). Any unauthorized disclosure of such information will be deemed a violation of Section 805-A of the General Municipal Law.

Note: In those assessing units in which school district taxes are levied on the assessment roll in the year prior to the levy, the eligible taxpayer may submit an application for the exemption against his or her school taxes on or before the taxable status date of the current year's assessment roll, subject to adoption of a local law permitting such applications (see Calculation of Exemption). Otherwise, the application must be submitted on or before the taxable status date of the prior year's assessment roll.

3. Form RP-425-Rnw rev.(8/08) – Renewal Application for School Tax Relief (STAR) Exemption

Basic STAR: If the exemption is granted, the owner need not reapply in subsequent years to keep this exemption, unless the exemption is discontinued or revoked by the assessor.

Enhanced STAR: Owners receiving this exemption who do not qualify for the senior citizens exemption must reapply each year in order to keep the exemption in effect, except for those who elect to participate in the STAR income verification program. Such owners need reapply only in the year in which they commence participation in the program. Failure to submit the renewal application will result in a default to the Basic STAR exemption for the current year. For reinstatement of the enhanced exemption, a renewal application must be filed for the subsequent year. Owners currently receiving this exemption may designate an adult third party to receive an annual notice from the assessor stating that it is time for the owner to reapply for this exemption.

4. Form RP-425-TPN (09/02) – Request for Mailing of Notice to a Third Party Regarding Enhanced STAR Exemption

An owner currently receiving the Enhanced STAR exemption may designate an adult third party to receive a notice from the assessor to assist the senior citizen in fulfilling the eligibility requirements regarding this exemption. This form must be submitted to the assessor of the assessing unit in which the senior citizen resides no later than 60 days prior to the assessing unit's taxable status date.

Note: An application for the STAR exemption may be filed with the assessor after the appropriate taxable status date but not later than the last date on which a petition with respect to complaints of assessment may be filed, where failure to file a timely application resulted from: 1) a death of the applicant's spouse, child, parent, brother or sister; or 2) an illness of the applicant or of the applicant's spouse, child, parent, brother or sister, which actually prevents the applicant from filing on a timely basis, as certified by a licensed physician. The assessor should approve or deny such an application as if it had been filed on or before taxable status date.

See sample forms following Exemption Profile.

H. **REPORTING REQUIREMENTS (Assessor):**

1. The assessor must annually forward to the NYS Department of Taxation & Finance - Board of Real Property Tax Services information identifying recipients of the Enhanced STAR exemption who have elected to participate in the STAR income verification program.
2. The assessor must mail a notice (preferably a postcard) to those owners participating in the STAR income verification program annually, after being notified of their income eligibility by the State Department of Taxation and Finance through the State Board. The notice must include one of the following statements:

(a) To participants found to have satisfied income eligibility requirements: The notice should so state that requirement being satisfied. The notice must further state that if the property remains their primary residence and that there has been no change in its ownership, they remain eligible for the Enhanced STAR exemption and need not contact the assessor at this time. The notice must also remind them that they are expected to contact the assessor if there has been any residency or ownership change.

(b) To participants whose income eligibility cannot be verified: The notice should so state this fact. The notice must also state that they must furnish documentation of their income eligibility to the assessor on or before the applicable taxable status date, or the Enhanced STAR exemption will be discontinued (though the Basic STAR exemption may be granted in its place if the property remains their primary residence and there has been no change in its ownership). The notice must also state that they are expected to contact the assessor if there has been any residency or ownership changes.

(c) To participants who have been found not to meet income eligibility requirements: The assessor must mail a notice of denial (Form RP-425-Dnl-Enhanced), giving the findings of the State Department of Taxation and Finance as a reason for the denial of the Enhanced STAR exemption.

3. Assessors must mail a renewal form (RP-425-Rnw), at least 60 days before taxable status date, to owners of property receiving the Enhanced STAR exemption on the preceding assessment roll and who have elected not to participate in the STAR income verification program.
4. A notice is to be sent to the designated third party of an owner or owners who have elected not to

participate in the STAR income verification at least 30 days prior to each ensuing taxable status date. No such notice need be sent in the first year if the assessor did not receive the request for designation of a third party at least 60 days before the applicable taxable status date. The notice should read substantially as follows:

"On behalf of (identify the eligible owner or owners), you are advised that his, her, or their renewal application for the Enhanced STAR exemption must be filed with the assessor no later than (enter date). You are encouraged to remind him, her, or them of that fact, and to offer assistance if needed, although you are under no legal obligation to do so. Your cooperation and assistance are greatly appreciated."

5. A notice is to be sent to the designated third party of an owner or owners who have elected to participate in the STAR income verification program whenever the assessor sends a notice to the owner regarding the possible removal of the Enhanced STAR exemption. This notice should read substantially as follows:

"On behalf of (identify the owner or owners), you are advised that his, her, or their Enhanced STAR exemption is at risk of being removed. You are encouraged to make sure that he, she or they are aware of that fact, and to offer assistance if needed, although you are under no legal obligation to do so. Your cooperation and assistance are greatly appreciated."

6. In the case of a cooperative apartment cooperative organized as a limited-profit (Mitchell-Lama) corporation, the assessor must provide a breakdown of "STAR savings" by unit to the manager of the corporation so that such savings are properly credited and allocated to eligible recipients.
7. Form RP-425-Dnl-Basic (11/99) – Notice of Denial of Application for Basic STAR Exemption
8. Form RP-425-Dnl-Enhanced (11/99) – Notice of Denial of Application for Enhanced STAR Exemption

Denial forms must set forth the basis for the denial and must be sent not later than ten days prior to Grievance Day (except in New York City, where it must be mailed not later than thirty days prior to the final date for filing an assessment appeal).

See sample forms following Exemption Profile.

If the assessor determines that this exemption should be discontinued, he or she must mail a notice so stating to the owner or owners of the property, in accordance with the provisions for notifying owners of increased assessments under RPTL §510. The owner or owners may seek administrative and judicial review of such an assessment increase; however, the burden is on the owner or owners to establish eligibility for this exemption.

When the assessor has received a report of a transfer of title to real property (under RPTL §574), which is exempt under this section, the assessor must send the new owner or owners as shown thereon an application for the exemption (Form RP §425). It is the responsibility of the new property owner(s) to apply for the exemption. Failure of the owner(s) to submit the completed application form by taxable status date will result in ineligibility for the exemption, even if the assessor has failed to send the new owner the application form.

Whenever the assessor: (1) revokes an exemption, (2) determines that a penalty tax should be imposed on the property, or (3) takes both actions, the assessor must so notify the owner not later than ten days prior to the date for hearing complaints in relation to assessments, as specified under RPTL §§510 and 553. The owner has the right of administrative and judicial review of such action or actions taken.

I. **SIMILAR EXEMPTIONS:** None.

Exemption Application Forms:

RP-425 rev.	RP-425 rev. LP (Large Print)
RP-425-IVP	RP-425-IVP LP (Large Print)
RP-425-Rnw rev.	RP-425-Rnw rev. LP (Large Print)
RP-425-TPN	RP-425-TPN LP (Large Print)
RP-425-Wkst	RP-425-Wkst LP (Large Print)
RP-425-Dnl-Basic	RP-425-Dnl-Basic LP (Large Print)
RP-425-Dnl-Enhanced	RP-425-Dnl-Enhanced LP (Large Print)

[School Tax Relief \(STAR\) Exemption Assessor's Guide](#)

[STAR – School Property Tax Exemption, Questions & Answers](#)

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Please send general questions or comments to [Jerome McCall](#).

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